UN

UNITED NATIONS

Framework Convention on Climate Change

Distr.
GENERAL

FCCC/AGBM/1997/2
3 February 1997

Original: ENGLISH

AD HOC GROUP ON THE BERLIN MANDATE
Sixth session
Bonn, 3-7 March 1997
Item 3 of the provisional agenda

FRAMEWORK COMPILATION OF PROPOSALS FROM PARTIES FOR THE ELEMENTS OF A PROTOCOL OR ANOTHER LEGAL INSTRUMENT

Note by the Chairman

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GLOSSARY

Acronyms and abbreviations

AOSIS	Alliance of Small Island States
EU	European Community and its Member States
GDP	gross domestic product
GEF	Global Environment Facility
GWP	global warming potential
ICAO	International Civil Aviation Organization
IEA	International Energy Agency
IGBP	International Geosphere-Biosphere Programme
IMO	International Maritime Organization
IPCC	Intergovernmental Panel on Climate Change
OECD	Organisation for Economic Co-operation and Development
ppmv	parts per million (10^6) by volume
QELROs	quantified emission limitation and reduction objectives
SBSTA	Subsidiary Body for Scientific and Technological Advice
SBI	Subsidiary Body for Implementation
tCe	tons of carbon equivalent
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Programme
WMO	World Meteorological Organization
WTO	World Trade Organization

Chemical symbols

CH_4	methane
CO_2	carbon dioxide
FC	fluorocarbon
HFC	hydrofluorocarbon
N_2O	nitrous oxide
NO_x	nitrogen oxides
PFC	perfluorocarbon
SF_6	sulphur hexafluoride
VOC	volatile organic compound

INTRODUCTION

A. Mandate

1. At its fifth session, the Ad Hoc Group on the Berlin Mandate (AGBM) requested the Chairman, assisted by the secretariat, to prepare a framework compilation, incorporating textual proposals from Parties as well as other proposals from Parties for the elements of a protocol or another legal instrument, and identifying the sources. The AGBM invited Parties to submit further proposals, especially proposals incorporating draft text for the instrument. Proposals received by 15 January 1997 would be taken into account in the preparation of the framework compilation.

B. Scope of the note

2. This note responds to the above mandate by organizing into a framework compilation all the proposals submitted by Parties for the elements of a protocol or another legal instrument (hereinafter referred to as "the instrument"), including submissions in the form of legal text and narrative submissions. The proposals can be found in documents FCCC/AGBM/1996/MISC.2 and Add.1, 2, 3, 4 and FCCC/AGBM/1997/MISC.1.[1] (Proposals submitted after the deadline will be issued in addenda to the latter document.) Where appropriate, the Chairman has also made reference to the Geneva Ministerial Declaration.[2] The sources of all proposals are indicated in parentheses at the end of each excerpt.

3. Proposals in the form of legal text are reproduced verbatim. Narrative submissions have been abridged in order to extract substantive proposals relating to the new instrument for incorporation in the note. In order to assist Parties in their consideration of the framework compilation, such narrative submissions appear in italics. To be as useful as possible to the AGBM, the note organizes proposals from Parties under headings drawn from the proposals themselves. Where there was inconsistency between headings, past practice in the AGBM has been used as a guide. The attention of readers is also drawn to the paragraph numbering system adopted in the note which, whilst departing from usual practice, helps to distinguish more clearly between the proposals of different Parties.

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[1] Proposals submitted by the following Parties: Australia (2), Costa Rica, on behalf of the Group of 77 and China, France, Republic of the Gambia, Germany (2), Iceland, Iran, Ireland (on behalf of the European Community and its member states), Japan (2), Kuwait, Netherlands (on behalf of the European Community and its member states), New Zealand, New Zealand (in association with Canada and the United States of America), Nigeria, Norway, Poland (on behalf of Bulgaria, Estonia, Latvia and Slovenia), Russian Federation (2), Saudi Arabia, Spain (on behalf of the European Community and its member states), Switzerland (2), Trinidad and Tobago (on behalf of AOSIS), United Kingdom of Great Britain and Northern Ireland (2), United States of America (3), Uzbekistan, Zaire.

[2] The Geneva Ministerial Declaration commanded widespread support amongst ministers and other heads of delegation at the second session of the Conference of the Parties (COP 2), although it did give rise to concerns or difficulties for some delegations (for the text of the Declaration, see FCCC/CP/1996/15/Add.1, annex; for the account of this matter in the proceedings of the Conference, see FCCC/CP/1996/15, paras. 40 and 41; for the view of delegations expressing concern or difficulties regarding the Declaration, see FCCC/CP/1996/15, annex IV).

4. In order to provide guidance to the AGBM in its substantive negotiations, the structure of the note points in the direction of the future negotiating text, including proposals on both introductory and final elements for the new instrument. Proposals from Parties have been incorporated under each heading in English language alphabetical order by country name, followed by elements from the Geneva Ministerial Declaration (see paragraph 2).

5. As this is not a negotiating text, square brackets have not been used, except where they have been included in a proposal by a Party. In order to economize on space, where certain elements of the submissions received from two different Parties were found to be almost identical, these have been included only once. In such cases, any small differences between the proposals of the two Parties have been clearly indicated in the text. The full texts of all submissions are available in the relevant miscellaneous documents.

6. To increase the clarity of the document, it has proved necessary to include notes for the reader. For example, in cases of overlap between the different sections of the framework compilation, the reader is directed to other sections where additional relevant proposals can be found. Any such notes have been distinguished from proposals by Parties. As several submissions from Parties have taken the form of draft protocols, a number of cross-references to proposed "Articles and paragraphs" appear in the framework compilation. To understand fully these cross-references, reference may need to be made to the original submissions contained in the relevant miscellaneous documents. For the convenience of the reader, a glossary of acronyms, abbreviations and chemical symbols is provided.

7. As the AGBM has not yet taken a decision on the type of legal instrument to be adopted by the Conference of the Parties at its third session (COP 3), this note has been prepared without prejudice to the outcome of these discussions. Many of the proposals submitted by Parties, however, are applicable only to a protocol. If the work of the AGBM results in agreement on a different legal instrument, such proposals will no longer be relevant.

8. The note has been prepared in full recognition of the fact that the proposals incorporated within it do not necessarily represent the final positions of Parties, and does not preclude the submission of additional proposals.

C. Possible action by the Ad Hoc Group on the Berlin Mandate

9. The AGBM will recall that the text of a proposed protocol or another legal instrument must be circulated in all six official languages of the United Nations by 1 June 1997 in order to meet the requirements of Articles 15.2 or 17.2 of the Convention. In light of the above, the main result of the sixth session of the AGBM must be agreement on a negotiating text of the protocol or another legal instrument. To this end, the AGBM may wish to use the framework compilation to help narrow the range of proposals before it and concentrate on the major options achievable within the time-frame of the Berlin Mandate. While it would be premature at this stage to embark on a word-by-word analysis of text, Parties may find it useful to exchange views on their preferred proposals on a section-by-section basis, in order

to identify both areas of convergence and options that can be put aside for future consideration.

I. INTRODUCTORY ELEMENTS

A. Preamble [1]

10.1 Recognizing that the largest share of historical and current global emissions of greenhouse gases has originated in developed countries, that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs, quantified emission limitation and reduction objectives shall be elaborated on the basis of the consequences on all greenhouse gas concentrations, temperature increase and sea-level rise, taking into account cumulative emissions and currently available scientific and economic data,

10.2 Bearing in mind the ultimate objective of the Convention and any related legal instruments that the Conference of the Parties may adopt is to achieve, in accordance with the relevant provisions of the Convention, stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, and that such a level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner,

10.3 Having reviewed Article 4, paragraph 2(a) and (b) of the United Nations Framework Convention on Climate Change and having concluded that these subparagraphs are not adequate,

10.4 Underlining the principles of the Convention, in particular the principle in Article 3.1 which reads as follows: "The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof",

10.5 Recalling Article 3.2 of the Convention which states that "the specific needs and special circumstances of developing country Parties especially those that are particularly vulnerable to the adverse effects of climate change, and of those Parties, especially developing country Parties, that would have to bear a disproportionate or abnormal burden under the Convention, should be given full consideration",

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[1] Titles of articles and paragraphs are included solely to assist the reader (The Netherlands, on behalf of the European Community and its member States). Note to reader: submissions from The Netherlands, on behalf of the European Community and its member States, are hereafter referred to as from the "EU".

10.6 Recalling also Article 3.5 of the Convention which states that "the Parties should co-operate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change," and that "measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade",

10.7 Recognizing also the fact that the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, in accordance with their common but differentiated responsibilities and respective capabilities and their social and economic conditions, and

10.8 Reaffirming the specific needs and concerns of developing countries and the special situations of least developed countries referred to in Articles 4.8, 4.9 and 4.10 of the Convention, and the legitimate needs of the developing countries for the achievement of sustained economic growth and the eradication of poverty, recognizing also that all Parties have a right to, and should promote sustainable development **(Costa Rica, on behalf of the Group of 77 and China [4])**

11.1 Recognizing the necessity of urgently limiting their anthropogenic emissions of greenhouse gases and of protecting and enhancing their greenhouse gas sinks and reservoirs in order to mitigate the adverse effects of climate change,

11.2 Noting that the Second Assessment Report of the Intergovernmental Panel on Climate Change (hereinafter referred to as IPCC) approved at the eleventh session of the IPCC on 15 December 1995, which is recognized, at the present moment, as the most comprehensive and authoritative assessment of the science of climate change, its impacts and response options now available, states that stabilization of atmospheric concentrations of carbon dioxide (CO_2), which is one of the major greenhouse gases, at 550 ppmv [5] will eventually require global emissions to be less than 50 per cent of current levels,

11.3 Taking note that many of the Parties included in Annex I to the Convention need to make additional efforts to overcome difficulties that they face in achieving the return of their emissions of greenhouse gases to 1990 levels by 2000, and recognizing the necessity for emission limitations and significant overall reductions within specified time-frames with respect to their anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol on Substances that Deplete the Ozone Layer,

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[4] Note to reader: hereafter referred to as "G-77 and China".

[5] Parts per million (10^6) by volume.

1987, as adjusted and amended (hereinafter referred to as the Montreal Protocol) **(Japan)**

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12 Recognizing that policies and measures undertaken by developed country Parties to limit or reduce their emissions of greenhouse gases likely will have adverse economic and/or social impacts upon many developing countries, including, but not limited to, countries with economies that are highly dependent on income generated from the production, processing and export of fossil fuels, and that such impacts will have an adverse effect on the ability of such countries to achieve the economic and social development and poverty eradication that are the first and overriding priorities of developing countries. **(Kuwait)**

13.1 Being concerned by the continuous growth of atmospheric concentrations of greenhouse gases not controlled by the Montreal Protocol,

13.2 Recalling Decision 1/CP.1 of the Conference of the Parties on inadequacies of commitments under Article 4.2(a) and (b),

13.3 Stressing that the Parties included in Annex I undergoing the process of transition to a market economy are the only group of countries which at present actually and significantly reduced emissions of greenhouse gases not controlled by the Montreal Protocol,

13.4 Noting that in future the period of reduction in emissions of greenhouse gases which is due to economic circumstances in these countries will be objectively followed by a period of increase in emissions due to economic growth,

13.5 Recalling the principle of common but differentiated responsibilities,

13.6 Recalling further Article 4.6 of the Convention allowing a certain degree of flexibility to the Parties included in Annex I undergoing the process of transition to a market economy, and aiming to enhance the capabilities of Annex I Parties with economies in transition to resolve problems related to climate change. (Note to reader: the above paragraph should be read together with para. 49.) **(Russian Federation)**

14.1 Being Parties to the 1992 United Nations Framework Convention on Climate Change (the Convention),

14.2 Acknowledging that the ultimate objective of the Convention and of this Protocol is to achieve stabilization of atmospheric greenhouse gas concentrations at a level that would prevent dangerous anthropogenic interference with the climate system within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner,

14.3 Noting that Article 3 of the Convention requires developed country Parties to take the lead in combating climate change and the adverse effects thereof,

14.4 Conscious of the need for developed country Parties to adopt specific targets and time-frames for reducing emission of greenhouse gases to achieve the Objective of the Convention,

14.5 Reaffirming that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs,

14.6 Aware of the advantages of coordinating relevant measures and strategies, including specific administrative and economic instruments to achieve the Objective of the Convention,

14.7 Acknowledging that in accordance with the principle of common but differentiated responsibilities Parties to the Convention and this Protocol should in future re-examine the impact of global efforts to combat climate change and the adverse effects thereof **(Trinidad and Tobago, on behalf of AOSIS [*])**

B. Definitions

15.1 "Annex I Parties" means the developed country Parties and other developed Parties included in Annex I of the Convention, that are also Parties to this Protocol.

15.2 "Conference of the Parties" means the Conference of the Parties to the Convention established pursuant to Article 7 of the Convention.

15.3 "Convention" means the United Nations Framework Convention on Climate Change adopted on 9 May 1992, and unless the text otherwise indicates, the terms defined in Article 1 of the Convention shall have the same meaning in this Protocol.

15.4 "Meeting of the Parties" means the Conference of the Parties established pursuant to Article 8 of this Protocol.

15.5 "Montreal Protocol" means the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer, as subsequently adjusted and amended.

15.6 "Objective" means the ultimate objective stated in Article 2 of the Convention.

15.7 "Parties" means the Parties to the present Protocol.

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[*] Note to reader: hereafter referred to as "AOSIS".

15.8 "Parties to the Convention" means Parties for whom the Convention has legally entered into force in accordance with the Convention's provisions.

15.9 "Principles" means, unless the context otherwise requires, the Principles stated in Article 3 of the Convention.

15.10 "Secretariat" means the secretariat established under Article 8 of the Convention. **(AOSIS)**

16.1 "Projected population growth" means: the projected percentage change in population level for the period for which a quantified emission limitation and reduction objective (QELRO) applies relative to the agreed reference period.

16.2 "Projected real GDP per capita growth" means: the projected percentage change in real per capita gross domestic product (GDP) level for the period for which a QELRO applies relative to the agreed reference period.

16.3 "Emission intensity of GDP" means: the ratio of emissions to GDP, for the agreed reference period.

16.4 "Emission intensity of exports" means: the ratio of emissions generated domestically by the export sector with the total value of exported goods and services, for the agreed reference period.

16.5 "Fossil-fuel intensity of exports" means: the emissions content of fossil fuel exports as a proportion of the value of total exports of goods and services, for the agreed reference period.

16.6 "Change in per capita economic welfare" means: the change in per capita gross national expenditure resulting from mitigation action. **(Australia)**

17.1 "The Convention" means the United Nations Framework Convention on Climate Change done at New York on 9 May 1992.

17.2 "Party" means, unless otherwise stipulated, a party to this Protocol.

17.3 "The secretariat" means the secretariat of the Convention.

17.4 "Indicator" means ... *(to be drafted)*.

17.5 "Voluntary goal" means ... *(to be drafted)*. **(Japan)**

18.1 "Convention" means the United Nations Framework Convention on Climate Change, adopted at New York on 9 May 1992 (and adopted for signature in Rio de Janeiro on 4 June 1992 (Nigeria)[7]).

18.2 "Protocol" means this [*insert full name of Protocol*, (*followed by date and place of adoption and date and place it is opened for signature* (Nigeria)[8])].

18.3 "Parties" means those States or regional economic integration organizations (as defined in Article 1, paragraph 6 of the Convention) as to which this Protocol has entered into force in accordance with its terms.

18.4 "Parties to the Convention" means those States or regional economic integration organizations as to which the Convention has entered into force in accordance with its terms, whether or not they are Parties to this Protocol.

18.5 "Conference of the Parties" means the Conference of the Parties to the Convention established by Article 7 of the Convention.

18.6 "Annex _ Parties" means Parties included in Annex _ [*insert identification of the Annex or Annexes listing Parties maki_ commitments for GHGROs and policies and measures*].

18.7 "Secretariat" means the permanent secretariat designated by the Conference of the Parties in accordance with Article 8, paragraph 3 of the Convention.

18.8 "Depositary" means the Depositary designated in Article 19 of the Convention.

18.9 All terms used in this Protocol that are defined in Article 1 of the Convention shall have the meanings set forth in Article 1 of the Convention.

18.10 Unless the context of a provision otherwise indicates, the plural form of the terms defined in paragraphs 3, 4 and 6 shall include the singular. **(Kuwait and Nigeria)**

19.1 "The Convention" means the United Nations Framework Convention on Climate Change done at New York on 9 May 1992.

19.2 "Party" means Party to this Protocol.

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[7] Note to reader: the text submitted by Kuwait and Nigeria differs in this sentence. Additional text proposed by Nigeria is given in parentheses.

[8] Note to reader: the text submitted by Kuwait and Nigeria differs in this sentence. Additional text proposed by Nigeria is given in parentheses.

19.3 "Greenhouse gas" means any greenhouse gas for which a global warming potential (GWP) is set forth in Annex C of this Protocol.

19.4 "Tonne of carbon equivalent" means one metric tonne of carbon, or a quantity of one or more other greenhouse gases equivalent to one metric tonne based on the global warming potentials (GWP) set forth in Annex C of this Protocol.

19.5 "Net anthropogenic emissions" of greenhouse gases is the calculated difference between emissions by sources and removals by sinks.

19.6 [*Other definitions to be developed or cross-referenced to the Convention as necessary.*] **(USA)**

C. Objective

20. As a further step towards achievement of the objective of the Convention, the Parties listed in Annex A[9] accept the need to take appropriate action for the period beyond 2000, including the strengthening of commitments, with a view to achieving a collective emission limitation and reduction objective of .... . **(Australia)**

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21. *The instrument should contribute to achieving the ultimate objective of the Convention as defined by its Article 2, and paragraph 2 of the Berlin Mandate.* **(Iran)**

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22. *The protocol or another legal instrument facilitates achievement of its ultimate objective determined in Article 2 of the Convention.* **(Russian Federation)**

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23. The objective of this Protocol is to contribute to achieving the ultimate objective provided for in Article 2 of the Convention, by incurring, to the maximum extent possible, new obligations as fairly and effectively as possible on the Parties included in Annex I to the Convention, and also by voluntary measures to be taken by all Parties including the Parties not included in Annex I to the Convention, in due consideration of Decision 1 of the first session of the Conference of the Parties to the Convention on 7 April 1995, and with due regard to the varied circumstances faced by the Parties, and of policies and measures so far implemented by them for the purpose of limiting their anthropogenic emissions of greenhouse gases and protecting and enhancing their greenhouse gas sinks and reservoirs. **(Japan)**

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[9] *Annex A shall list only those Parties to the instrument currently listed in Annex I of the Convention and will also list the QELROs applicable to individual Parties or groups of Parties. It should, however, be regarded as open for other Parties, such as those joining the Organisation for Economic Co-operation and Development (OECD), entirely at their own discretion, to seek to negotiate their entry to Annex A in accordance with the equity principles set out in Article 3.*

D. Principles

24.1 In their actions to achieve the objective of the instrument and to implement its provisions, the Parties shall give effect, *inter alia*, to the following:

(a) The Parties affirm that to ensure equity between them and to maximize the environmental effectiveness of this instrument, commitments under Part II of this instrument are governed by the principle that mitigation action by Parties listed in Annex A shall result in those Parties incurring equal percentage changes in per capita economic welfare.

(b) The Parties affirm that commitments under Part II of this instrument reflect:

(i) The need for equitable and appropriate contributions for each of the Parties undertaking commitments, their differences in starting points and approaches, their economic structures and resource bases, the need to maintain strong and sustainable economic growth, available technologies and other individual circumstances; and

(ii) The situation of those Annex A Parties with economies that are highly dependent on income generated from the production, processing and export and/or consumption of fossil fuels and associated energy-intensive products and/or the use of fossil fuels for which such Parties have serious difficulties in switching to alternatives.

(c) The Parties affirm that the requirements of the principles set out in paragraphs (a) and (b) above are best met through the application of the following indicators, as elaborated in Article 4(c):

(i) Projected population growth;

(ii) GDP per capita growth;

(iii) Emission intensity of GDP;

(iv) Emission intensity of exports;

(v) Fossil fuel intensity of exports.

24.2 *This set of indicators would be generally applicable, but other countries may wish to propose additional indicators which they consider important in capturing the different sources of economic welfare impacts across countries.* **(Australia)**

25.1 The largest share of historical and current global emissions of greenhouse gases has originated in developed countries, and the per capita emissions in developing countries are still relatively low and the share of global emissions originating in developing countries will grow to meet their social and development needs.

25.2 The special difficulties of those countries, especially developing countries, whose economies are particularly dependent on fossil fuel production, use and exportation, as a consequence of action taken on limiting greenhouse gases should be taken fully into account.

25.3 Response to climate change should be coordinated with social and economic development in an integrated manner with a view to avoiding adverse impacts on the latter, taking into full account the legitimate economic growth and the eradication of poverty.

25.4 Countries, especially developing countries, need access to resources required to achieve sustainable social and economic development and in order for developing countries to progress towards that goal, their energy consumption will need to grow taking into account the possibilities for achieving greater energy efficiency and for controlling greenhouse gas emissions in general, including through the application of new technologies on terms which make such an application economically and socially beneficial.

25.5 The developed country Parties should take the lead in combating climate change and the adverse effects thereof.

25.6 The specific needs and special circumstances of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change and of those Parties that would have to bear a disproportionate or abnormal burden under the Protocol, should be given full consideration.

25.7 The Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change. Measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

25.8 Nothing in this instrument shall be interpreted in any manner that would prejudice the obligations and commitments of Annex I Parties under the Convention.

25.9 In the implementation of the commitments in this Article, the Parties shall give full consideration to what actions are necessary under the Convention, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change and/or the impacts of the implementation of response measures, especially on: a) small island countries; b) countries with low-lying coastal areas; c) countries with arid and semi-arid areas, forested areas and areas liable to forest decay; d) countries with areas prone to natural disasters;

e) countries with areas liable to drought and desertification; f) countries with areas of high urban atmospheric pollution; g) countries with areas with fragile ecosystems, including mountainous ecosystems; h) countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products; and i) land-locked and transit countries.

25.10 The Parties shall take into consideration in the implementation of the commitments of the instrument the situation of Parties, particularly developing country Parties, with economies that are vulnerable to the adverse effects of the implementation of measures to respond to climate change. This applies notably to Parties with economies that are highly dependent on income generated from the production, processing and export, and/or consumption of fossil fuels and associated energy-intensive products and/or the use of fossil fuels for which such Parties have serious difficulties in switching to alternatives. **(Iran)**

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26. *The protocol or another legal instrument should not change or replace statements of the Convention, including its principles.* **(Russian Federation)**

II. STRENGTHENING THE COMMITMENTS IN ARTICLE 4.2(a) and (b)

A. Policies and measures

General commitments and guiding objectives

27. *Certain measures could be coordinated among Annex I Parties to assist these in the implementation of their commitments.* (Note to reader: the above paragraph should be read together with para. 181 on the coordination mechanism.) **(AOSIS)**

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28. Each Party listed in Annex A shall prepare a National Action Plan (NAP) to facilitate implementation of its commitments under Article 4, which shall include national policies and measures for the mitigation of climate change, aimed at limiting anthropogenic emissions of greenhouse gases and protecting and enhancing greenhouse gas sinks and reservoirs. Each NAP shall contain a detailed description of those policies and measures and a specific estimate of the effects that they will have on anthropogenic emissions by sources and removal by sinks of greenhouse gases, together with performance indicators by which each Party could demonstrate its performance in implementing those policies and measures. **(Australia)**

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29. *The Protocol should include an annex listing a set of common and/or coordinated policies and measures mandatory for all Annex I Parties.* **(France)**

30. *The commitments in Article 4.2(a) and (b) of the Convention for developed country other Parties included in Annex I should be strengthened by:*

(a) Identifying policies and measures for Annex I Parties which will contribute to limiting and reducing emissions by sources and protecting and enhancing sinks and reservoirs of greenhouse gases and will identify environmental and economic impacts and the results that could be achieved with regard to time horizons such as 2005, 2010 and 2020;

(b) The necessary policies and measures to be adopted and should ensure that these will have no adverse impacts on socio-economic conditions of developing country Parties, especially those listed in Article 4.8 of the Convention. **(G-77 and China)**

31. *In the light of new information emerging from research and systematic observation of climate change, there should be the possibility for Parties to modify their policies and measures under implementation. Policies and measures formulated on a global scale should take into account those policies and measures currently in force at a sub-regional or regional level.* **(The Gambia)**

32. Each Party has a right to apply policies and measures compatible with its national development programmes so long as they are not harmful to the development of developing countries, particularly fossil fuel exporting developing countries, and are cost effective. Commitments are to be fulfilled individually and not through coordinated actions. CO_2 and energy taxation in particular should be ruled out. **(Iran)**

33.1 Parties listed in Annex X[10] shall adopt and implement policies and take measures within national and, where appropriate, regional programmes referred to in Article 4.1(b) of the Convention to limit and reduce anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol from all relevant sectors, including renewable energies; energy efficiency standards, labelling and other product-related measures; CO_2 emissions from the transportation sector; economic instruments in the field of climate change; energy policies; industrial sector emissions, including voluntary agreements; agriculture; emissions from waste; fluorocarbons and sulphur hexafluoride (SF_6); municipal actions; and to protect and enhance sinks and reservoirs, including forests.

33.2 Parties listed in Annex X shall adopt and implement the policies and measures set out in Annex A;

[10] The list of Parties contained in Annex X shall consist of countries which are members of the OECD and countries with economies in transition.

33.3 Parties listed in Annex X shall give high priority to the adoption and implementation of the policies and measures set out in Annex B, and shall work towards their early coordination, by applying the guidance set out in the Annex;

33.4 Parties listed in Annex X shall give the policies and measures in Annex C priority for inclusion in national programmes, as appropriate to national circumstances. **(EU)**

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34. Common action may be appropriate in certain areas. **(New Zealand)**

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35. The instrument should adopt a "menu approach" in the establishment of sets of measures to be adopted by Parties. Each Party should declare, for example in its national communication, those policies and measures which it has chosen for implementation. After that, the proposed set should become mandatory. Groups of Parties may also agree on common measures which could then be included in an Annex A, in line with the proposal made by the EU. **(Poland, on behalf of Bulgaria, Estonia, Latvia and Slovenia[11])**

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36. *The instrument should establish political objectives and also list possible directions of policies and measures, leaving the selection of specific directions of policies, measures and means to each Party.* **(Russian Federation)**

37.1 *The Protocol should include lists of policies and measures aimed at achieving the objective of the Convention, including measures which are of the A type following the EU Protocol structure and which should therefore be internationally coordinated among the Parties.*

37.2 *Common measures under the Protocol in general, and individual measures in categories A, B and C as proposed by the EU in particular, could be developed and implemented through the voluntary application of implementing agreements, as developed by the International Energy Agency (IEA).* **(Switzerland)**

Specific policies and measures

38.1 *Policies and measures which can be categorized as belonging to Annexes A or B are listed hereunder. Those marked with an asterix (*) are policies and measures that should get the highest priority for inclusion, either in Annex A or B. At this stage, policies and measures not listed as belonging to Annexes A or B are to be considered as belonging to Annex C.*

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[11] Note to reader: throughout this note, the submission from Poland should be read as proposals made on behalf of Bulgaria, Estonia, Latvia and Slovenia; hereafter referred to as Poland et al.

38.2 *Renewable energies*

(a) Definition of a major item 'renewable energies' within the framework of the existing international financial mechanisms, for example the World Bank, the Global Environment Facility (GEF), Regional Development Banks, Phare and Tacis;

*(b) *Identification, reduction and progressive removal of existing barriers, which prevent the penetration of potentially cost-effective renewable energy routes in the market;*

(c) Economic or other incentives for the diffusion of emerging technologies in the field of renewable energies and to secure an expanding market for potentially cost-effective renewable technologies.

38.3 *Energy efficiency standards, labelling and other product-related measures*

(a) Policies and measures for common household appliances (refrigerators, freezers, washing machines, dryers, dishwashers and water heaters); home entertainment and standby equipment, lighting products, office equipment, and air compressors; space heating equipment, air conditioners, building energy control equipment, and buildings in general include:

(i) Mandatory energy consumption labelling, with defined test procedures and functional performance measures of the products;

(ii) Voluntary agreements with producers and importers to improve energy efficiency levels of products through clear objectives or general improvement ranges, and, if necessary or where appropriate, mandatory minimum efficiency standards of the products.

38.4 *Transport sector*

*(a) *Minimum excise duties on fuels to be applied to all Annex I countries;*

*(b) *Reduction of CO_2 emissions from newly registered cars through the promotion of measures aiming at reaching target value(s) for average fuel efficiency and/or average g-CO_2/km emissions of newly registered cars per year by a given date. These could include:*

(i) Voluntary agreements with the car industry;

(ii) Complementary measures aimed at developing the market for fuel efficient, low CO_2 emitting cars as well as alternative fuels.

(c) Fuel economy labelling;

*(d) *In the field of civil aviation, all International Civil Aviation Organization (ICAO) members could introduce aviation fuel taxation and or efficiency standards on the basis of international agreement and worldwide application;*

*(e) *In the field of maritime transport, all International Maritime Organization (IMO) members could agree internationally to use appropriate economic instruments, including taxation, to encourage the use of cleaner fuels and more fuel-efficient engines.*

38.5 *Economic instruments in the field of climate change*

*(a) *Progressively reduce subsidies of fossil fuels and reduce/remove such subsidies, tax schemes and regulations which counteract an efficient use of energy;*

*(b) *A framework for the introduction of an environmental taxation scheme for all Annex I Parties. This could include:*

(i) A common environmental taxation structure;

(ii) Minimum taxation target rates, with an effective multilateral consultative process for reviewing taxation rates and possible exemptions, and monitoring the effects of taxes in reducing emissions;

(iii) Study of a phasing-in mechanism, including agreement on a transitional period and possible exemptions during that period;

(vi) Consideration of the sectors, sources and fuels which could be subject to taxation;

(v) Timetable for implementation;

(vi) A framework for tradeable quota schemes or permits.

38.6 *Energy policies*

(a) Where appropriate, reforms of energy markets directed at increasing efficiency including by increasing competition;

(b) Fuel switching to less greenhouse gas emitting sources;

(c) Reduction of energy losses and greenhouse gas emissions, in particular methane, when extracting, transporting, and distributing energy;

(d) Promotion, where appropriate, of the use of integrated resource planning and least cost planning.

38.7 *Industry sector emissions, including voluntary agreements*

(a) Improvement of the energy efficiency of power plants and other combustion plants;

*(b) *Introduction of international voluntary agreements in internationally oriented industrial sectors, aimed at measures such as the introduction of minimum energy efficiency requirements and greenhouse gas emission limits;*

*(c) *International coordination on standards for energy efficiency and on the use of fiscal incentives for encouraging advanced options improving energy efficiency and reducing greenhouse gas emissions;*

(d) Extended use of combined heat and power with the aim of the reduction of greenhouse gas emissions, for district heating, industrial process heat and low temperature heat in other sectors and processes, as appropriate.

38.8 *Agriculture sector*

(a) Promote bio-energy production such as energy crops and energy plantations, as appropriate, where a net reduction of greenhouse gas emissions results;

(b) Identify and promote cost-effective ways to include climate change considerations in the general agricultural policies applied by different Parties and agree to pursue those policies and measures in the World Trade Organization (WTO) and other relevant bodies;

(c) Voluntary agreements with specific sectors to improve energy efficiency and reduce greenhouse gas emissions.

38.9 *The role of forestry in mitigating climate change*

(a) Develop forest management practices that expand carbon storage, including afforestation and re-afforestation policies, in the forest ecosystem, including soils, without negatively affecting long term productivity or biodiversity;

(b) Parties should, where appropriate and with regard to sustainable environmental and land use considerations, particularly the need to mitigate global climate change, take or initiate actions to:

(i) Expand afforestation and reforestation that produce a basis for viable biofuel and wood production for local demand and for industrial use, and that provide other beneficial effects such as watershed protection, protection against natural hazards or recreation;

(ii) Develop and make use of environmentally sustainable and competitive wood or non-wood biofuel production systems according to local conditions and the amount of forest resources;

(iii) Undertake measures and forest management practices to decrease nitrous oxide (N_2O) and methane (CH_4) emissions and increase soil carbon.

38.10 *Fluorocarbons and SF_6*

(a) Product standards with respect to, inter alia, leakages of fluorocarbon emissions;

(b) Use, as far as possible, of selected low GWP fluorocarbons instead of high GWP fluorocarbons;

(c) International cooperation in the development of policies and agreements with the sector organizations (inter alia, International Primary Aluminium Industry, International Semi-conductor Association, Refrigeration Industry) for the reduction of fluorocarbon emissions. **(EU)**

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39. *The removal of all kinds of subsidies to carbon-intensive activities supplemented by the phase-in within the tax regimes of Annex I Parties of a progressive tax on CO_2 at rates coordinated between them should be considered as a high priority.* **(France)**

40.1 Energy (energy supply, building-related issues, industry)

(a) The Annex I Parties shall adopt national[12] policies and take corresponding measures to improve the efficiency of large-scale combustion plants taking account of Annex (...);

(b) The Annex I Parties shall adopt national policies and take corresponding measures to improve the efficiency of facilities providing low-temperature heat (for example heating boilers) and other small-scale combustion plants, taking account of Annex (...), as well as for the regular control of these installations, in principle;

(c) The Annex I Parties shall adopt national policies and take corresponding measures to improve the efficiency of certain products and/or to provide energy efficiency standards and labelling giving information on energy consumption. This applies particularly to:

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[12] This also includes policies and measures adopted by regional economic integration organizations.

(i) Household appliances;

(ii) Appliances in entertainment and communication technology;

(iii) Air conditioning systems and refrigeration facilities;

(iv) The insulation properties of certain materials.

(d) The Annex I Parties shall adopt national policies and take corresponding measures:

(i) To reduce energy loss during distribution;

(ii) To use waste heat from large industrial plants;

(iii) To improve heating and insulation in buildings;

(iv) To ensure consumption-based accounting of costs for heating, air conditioning and hot water;

(v) To implement energy-diagnostic assessments of areas of industry which consume in large quantities and in the field of building;

(vi) To step up the replacement of fuels with high CO_2 emissions with those which are low in CO_2 or CO_2-free;

(vii) To utilize least-cost planning;

(viii) To increase the use of contracting (planning, implementation, financing and operation of energy supply by third parties).

40.2 Renewable energies

(a) The Annex I Parties shall adopt national policies and take corresponding measures for the development, generation and increased use of renewable energies.

40.3 Traffic and transport

(a) The Annex I Parties shall adopt national policies and take corresponding measures to avoid and reduce unnecessary traffic and transport;

(b) The Annex I Parties shall adopt national policies and take corresponding measures to shift to more environmentally sound means of transport;

(c) The Annex I Parties shall adopt national policies and take corresponding measures to reduce gradually the average fuel consumption of newly licensed cars to 5 litres/100 km, as far as possible, and increase the efficiency of other means of transport;

(d) The Annex I Parties shall commit themselves within the framework of international negotiations to work toward dismantling tax relief for air traffic, in particular:

(i) The petrol tax exemption for aircraft fuel;

(ii) The value added tax exemption for cross-border traffic.

40.4 Forests

(a) The Annex I Parties shall adopt national policies and take corresponding measures with regard to the management, conservation and sustainable development of forests in order to conserve and enhance, as appropriate, sinks and reservoirs.

(b) The Annex I Parties shall work towards ensuring that internationally agreed criteria are determined and applied for the management, conservation and sustainable development of forests.

40.5 Methane

(a) In order to limit CH_4 emissions, the Annex I Parties shall adopt national policies and take corresponding measures to:

(i) Reduce CH_4 emissions in the extraction, transport and use of crude oil and natural gas;

(ii) Reduce emissions of pit gas from hard-coal mining (use of pit gas as energy);

(iii) Avoid and/or utilize landfill gas;

(vi) Reduce and utilize sewage gas;

(v) Utilize biogas.

40.6 Nitrous oxide

(a) The Annex I Parties shall adopt national policies and take corresponding measures to reduce N_2O emissions:

(i) From industrial installations;

(ii) From agriculture, in particular by means of fertilization adapted to plant needs and site-related, and by improving fertilization dosage;

(iii) In the field of animal husbandry and the storage of animal waste products.

40.7 Fluorocarbons (FCs)

(a) The Annex I Parties shall commit themselves to reporting on the production and consumption of FCs and hydrofluorocarbons (HFCs);

(b) The Annex I Parties shall adopt national policies and take corresponding measures:

(i) To deal with commercial and industrial refrigeration equipment and air-conditioning equipment in such a way that such used substances may be recovered or disposed of in an environmentally sound way, as far as possible;

(ii) To limit by precautionary measures the leakage of these substances:

- During manufacture, installation, operation and servicing of commercial and industrial refrigeration and air-conditioning equipment;
- When such substances are used as feedstocks in the manufacture of other chemicals; and
- When such substances are inadvertently produced by the manufacture of other chemicals.

40.8 General policies and measures

(a) The Annex I Parties shall in the aforementioned areas promote the increased use of economic instruments, for example, charges such as taxes, fees, contributions and special levies, including a CO_2/energy tax, promotional measures, tradeable permits, bubble of offset policies including joint implementation, advantages to those who act in an environmentally sound way, and voluntary agreements, product markings and environmental labelling;

(b) The Annex I Parties shall in principle dismantle fiscal and other benefits which promote conduct contrary to the objective of the protocol;

(c) The Annex I Parties shall develop and implement education and training programmes in the aforementioned areas;

(d) The Annex I Parties shall intensify research, if possible in the framework of international and intergovernmental programmes, extend scientific cooperation and ensure the processing, evaluation and transmission of scientific knowledge;

(e) The Annex I Parties shall develop and implement information and advice programmes in the aforementioned areas. **(Germany)**

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41. *The instrument should promote the development and exploitation of renewable primary energy sources, including electricity generated by hydropower.* **(Iceland)**

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42. *In order to reduce the emissions of greenhouse gases, there are a number of alternatives, inter alia:*

(a) Energy prices should be allowed to reach a reasonable level;

(b) Removal of subsidies on coal as the most polluting source of energy;

(c) Promotion and development of renewable sources of energy, including solar, nuclear and biomass, and ensuring that all countries have access to related material, equipment and technology through removal of all restrictions;

(d) Enhancement of sinks through reforestation and combating desertification, and establishing regulations for sustainable forest woods use;

(e) Exchange of climate change technology know-how among different countries.
(Iran)

43.1 Each Party included in Annex I to the Convention, in order to achieve the quantified objective referred to in Article 3, paragraph 1 and to implement Article 3, paragraph 2, shall adopt appropriate policies and take corresponding measures in each of the following areas:

(a) Efficient use of energy;

(b) Introduction of carbon free or low-carbon energy;

(c) Innovative technological development;

(d) International technical cooperation and transfer of technologies; and

(e) Protection and enhancement of sinks and reservoirs of greenhouse gases not controlled by the Montreal Protocol.

43.2. The policies and measures in each area referred to in paragraph 1 above shall be listed in an annex to this Protocol.

43.3. The Meeting of the Parties shall, at its first session, decide on indicators regarding the policies and measures referred to in paragraph 1 above, in order to achieve the quantified objective referred to in Article 3, paragraph 1 and to implement Article 3, paragraph 2. Each Party included in Annex I to the Convention shall establish voluntary goals measured in these indicators.

43.4. Each Party included in Annex I to the Convention shall make its national plan of the limitations and reductions of anthropogenic emissions by sources and the increments of removals by sinks of greenhouse gases not controlled by the Montreal Protocol, in order to achieve the quantified objective referred to in Article 3, paragraph 1 and to implement Article 3, paragraph 2.

43.5 *Parties could further promote relevant research projects, such as the work of the Common Action Project of the OECD/IEA.* **(Japan)**

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44. *Areas in which common action may be appropriate, include:*

(a) The phasing out of fossil fuel subsidies. This could be introduced as a compulsory measure;

(b) The treatment of international aviation and marine bunker fuels;

(c) Protocols for emissions trading. **(New Zealand)**

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45. *An internationally harmonized tax levied on greenhouse gas emissions could be combined with a financial mechanism. A set of criteria for distribution would be needed.* **(Norway)**

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46. *The measures listed below should be internationally coordinated among Parties (A-type measures according to the EU proposal) and should be listed in the protocol.*

(a) Reform of subsidies in the energy sector;

(i) This could involve removing protection for domestic coal producers and national electricity supply industries;

(ii) A first approach could include an agreement to adopt targets for a subsidy reduction, for instance 50 per cent by 2010;

(iii) A second approach could be an agreement to remove all types of subsidies except those related to research and environmental protection;

(b) The introduction of an incentive tax on CO_2;

(c) Average fuel consumption targets for new vehicles;

For new passenger cars, an average fuel consumption target of 5 litres/100 km for petrol-driven cars and 4.5 litres/100 km for diesel-driven cars by the year 2005 should be introduced. For other types of vehicles, similar targets should be defined;

(d) Energy efficiency standards;

(i) New buildings:

- *Building insulation standards (k-values) adapted to the geographical situation of the Parties should be introduced;*
- *Quality standards for construction products should also be defined;*

(ii) Appliances: Target values to limit the energy consumption of appliances should be introduced. These values should be negotiated with the main appliance manufacturers. The following appliances should be considered:

- *Household appliances: refrigerators, freezers, washing machines and dryers, dishwashers, electric ovens, televisions, video recorders and air conditioners;*
- *Office equipment: personal computers, monitors, printers, photocopiers, facsimile machines;*

(iii) Labelling: Harmonized labels on appliances with low energy consumption should be introduced;

(e) The introduction of taxation on aviation fuel. Because this would need to be internationally harmonized and universally applied, countries other than those included in Annex I should be involved. Negotiations should therefore take place in the framework of ICAO as well as the Convention;

(f) Limitation of the production and consumption of perfluorocarbon (PFC), HFC and SF_6;

(g) Implementation of measures prescribed by the United Nations Economic Commission for Europe (UNECE) protocols on the control and reduction of volatile organic compounds (VOCs) and nitrogen oxides (NO_x).

46.2 *The promotion of rail for the transport of goods and passengers, and in particular the combined use of rail road transport at a national and regional level, should be considered as a 'B-type' measure according to the EU proposal, that is it should receive high priority for consideration by Annex I Parties for inclusion in their national programmes and would benefit from common coordinated application.* **(Switzerland)**

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47. The instrument should include commitments for Annex I Parties regarding policies and measures including, as appropriate, regarding energy, transport, industry, agriculture, forestry, waste management, economic instruments, institutions and mechanisms. **(Geneva Ministerial Declaration)**

Differentiation (Policies and measures)

48. *In outlining policies and measures, consideration should be given to the varying circumstances of different categories of Parties to the Convention.* **(The Gambia)**

49.1 *Provisions for the interests of the group of countries with economies in transition should be included in a separate annex to the protocol or another legal instrument drawn up especially for this group of countries.*

49.2 Parties with economies in transition, included in Annex I, the Russian Federation and others, namely _ , supported by other Parties to the Convention have agreed as follows:

49.3 Prior to stabilization of the economy (according to quantitative criteria objectively reflecting social and economic conditions in a country) and future economic growth, to undertake the necessary evaluation and to develop practical policies and measures in those fields of activities which would limit and reduce atmospheric emissions of greenhouse gases not controlled by the Montreal Protocol, along the following main lines:

49.4 Scientific

(a) Fundamental and applied research on climate change problems;

(b) Development and refinement of estimates, scenarios and projections of climate change and its effects;

(c) Creation of the system of monitoring of greenhouse gas concentrations in the atmosphere.

49.5 Technological

(a) Energy and resource saving measures in the field of electricity generation, its distribution and consumption, in transport, industry, residential, commercial and other sectors;

(b) Alternative energy sources;

(c) Rational land use and agriculture;

(d) Reduction of emissions and leakages of methane;

(e) Implementation of specific measures to raise quality of sinks and reservoirs of greenhouse gases.

49.6 Economic

(a) Implementation of market mechanisms in such fields as pricing, standards, taxation, policy;

(b) Introduction and implementation of regulatory functions such as penalties for exceeding maximum admissible atmospheric emissions of greenhouse gases not controlled by the Montreal Protocol.

49.7 Cooperation with Parties included in Annex II

(a) Introduction of technologies;

(b) Attracting financial and material resources;

(c) Developing activities implemented jointly by the Parties to the Convention.

49.8 To review the issue of involvement of a specific Party, or a group of Parties, into the process of implementation of policies and measures envisaged for developed countries listed in Annex I, while Annex I Parties undergoing the process of transition to a market economy work towards economic stabilization and sustainable economic growth.

49.9 To submit to the Conference of the Parties on a regular basis communications on results achieved and future planned policies and measures to be implemented under the present Protocol. (Note to reader: the above paragraph should be read together with para. 13 in the Preamble section.) **(Russian Federation)**

50.1 *The obligations of Annex I Parties relating to policies and measures and mechanisms for the review and coordination of these should be differentiated. The criteria for such differentiation should be the level of economic development and GDP per capita.*

50.2 *The contribution of Annex I Parties with economies in transition to reductions in greenhouse gas emissions should be taken into account and these Parties should be allowed flexibility in the fulfilment of their obligations under the instrument.* **(Uzbekistan)**

B. Quantified emission limitation and reduction objectives within specified time-frames (QELROs)

Guiding objectives

51.1 *An atmospheric concentration of 550 ppmv of CO_2 should guide limitation and reduction efforts with respect to CO_2 emissions. This level should be periodically reviewed in the light of the best available scientific, technical and socio-economic information.*

51.2 *The global limitation and reduction effort should lead to a narrowing of the range of different emission levels of CO_2 and other greenhouse gases per capita or per unit of GDP.* **(France)**

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52. *Annex I Parties would adopt greenhouse gas emissions paths converging eventually to similar levels of emissions per capita or per unit of GDP leading to an overall emissions reduction within specified time-frames.* **(France and Spain, in submission by EU)**

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53. *QELROs have to be selected for Annex I Parties in such a time-frame and quantity as will neither affect the international trade system nor the national income of developing countries, particularly fossil fuel exporting developing countries.* **(Iran)**

54.1 *All Parties in a protocol or another legal instrument should share a common recognition with regard to the CO_2 concentration level thought to pose dangerous anthropogenic interference to the climate system.*

54.2 *Parties could make a commitment to reach CO_2 emission efficiency targets in the medium/long term, such as by 2010 or by 2020. Greenhouse gas emissions per unit of GDP could serve as an indicator for such targets.* **(Japan)**

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55. Parties shall cooperate in the establishment of a long-term goal with respect to atmospheric concentrations of greenhouse gases. **(USA)**

Legal character

56. *Emission limitation and reduction objectives which take into account the need for all Annex I Parties to adopt emission pathways that eventually converge towards similar per capita or per unit of GDP levels should be legally binding.* **(France)**

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57. *Reduction objectives should be binding commitments.* **(Germany)**

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58. *QELROs should be legally binding.* **(Poland et al)**

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59. *Legally binding QELROs should be fixed for each Annex I Party.* **(Switzerland)**

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60. *Commitments which are legally binding should include substantial safety margins. The legal requirement should be placed on the development of a national programme, and on the adoption of policies and measures aimed at delivering a particular objective, coupled with an effective reporting and review mechanism. This approach could be characterized with the phrase "hard commitments to achieve soft targets".* **(UK)**

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61. *The instrument should include commitments for Annex I Parties regarding quantified legally-binding objectives for emission limitations and significant overall reductions within specified time-frames, such as 2005, 2010 and 2020, with respect to their anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol.* **(Geneva Ministerial Declaration)**

Coverage

62. *Different objectives should be set for different gases.* (Note to reader: the above paragraph should be read together with para. 75.) **(AOSIS)**

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63. *The QELROs should cover emissions by sources and enhancement by sinks of all greenhouse gases not controlled by the Montreal Protocol.* **(Australia)**

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64. *The quantified objectives should address anthropogenic emissions by sources and enhancement of removals by sinks of greenhouse gases not controlled by the Montreal Protocol.* (Note to reader: the above paragraph should be read together with para. 253 which refers to an Annex D on GWPs.) **(EU)**

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65. The commitments in Article 4.2(a) and (b) of the Convention for developed country/other Parties included in Annex I should be strengthened by setting realistic and achievable QELROs in a comprehensive manner, covering all greenhouse gases, their emissions by sources and removals by sinks and all relevant sectors. **(G-77 and China)**

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66. *A single-gas approach should be adopted.* **(Germany)**

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67. *The commitments in the new instrument should adopt a comprehensive approach, including, in principle, all greenhouse gases and both sources and sinks.* **(Iceland)**

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68. *The aim is to set comprehensive, realistic and achievable QELROs by using a "basket" approach. The instrument shall cover equally all greenhouse gases, their emissions by sources and removals by sinks and all relevant sectors.* **(Iran)**

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69. *Quantified limitation and reduction objectives would be set for CO_2 only.* (Note to reader: this paragraph should be read together with para. 83.2.) **(Japan)**

70.1 *Where practical and cost-effective, action should be taken to address all sources and sinks of greenhouse gases.* **(New Zealand)**

70.2 Annex I Party commitments should be based on the CO_2 equivalence of their emission contributions to the atmospheric stock of greenhouse gases.

70.3 *While inventories should be fully desegregated by gas, sources and sinks and include data certainty classes, a mechanism should be developed by the Subsidiary Body for Scientific and Technological Advice (SBSTA) that establishes the procedures by which Parties calculate the equivalence of their emissions of different gases from sources and sinks.*[13] **(New Zealand in association with Canada and the United States)**[14]

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[13] *Consideration would have to be given to a mechanism by which, for example, if within a certain commitment period a Party has excessive emissions for one greenhouse gas, but has overachieved the reductions of another, how these may be reconciled together on a single CO_2 equivalence basis given the potential different data accuracies and GWP uncertainties. In this context, it should be noted that even for a single gas there may be different data certainties, for example regarding CO_2 emissions from energy as compared with those from land use change and forestry.*

[14] Note to reader: hereafter referred to as New Zealand et al.

71. A comprehensive approach should be the basis for commitments, with targets pertaining to all greenhouse gases and including removals by sinks. ***(Norway)***

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72. *The Protocol should address, in particular, the anthropogenic emissions of CO_2, CH_4 and N_2O. For each Party the reduction objective should be expressed as a CO_2 equivalent emission reduction objective calculated on the basis of the GWP of the above three gases.* ***(Switzerland)***

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73. *Parties should adopt a multi-gas, or "basket" approach.* **(UK)**

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74. *The instrument should address net anthropogenic emissions of greenhouse gases not covered by the Montreal Protocol, denominated in tonnes of carbon equivalent emissions, with the exception of gases, or particular sources and sinks, for which there is insufficient knowledge of the GWP or inability to accurately measure emissions or removals.* (Note to reader: the above paragraph should be read together with paras. 90.7 and 254 on the other greenhouse gases.) **(USA)**

Level and timing/emissions budgets[15]

75. Each of the Annex I Parties shall:

(a) Reduce its 1990 level of anthropogenic emissions of CO_2 by at least 20 per cent by the year 2005; and

(b) Adopt specific targets and timetables to limit or reduce other greenhouse gases not controlled by the Montreal Protocol, including targets and timetables for methane, nitrous oxide and fluorocarbons, in accordance with a programme of additional commitments to be negotiated and adopted by the first Meeting of the Parties. **(AOSIS)**

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76. *Further consideration should be given to approaches which enhance the flexibility for Parties to devise optimal emission abatement paths through emission budgets, banking and borrowing.* **(Australia)**

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[15] Note to reader: the section below should be read together with the sections on differentiation (QELROs) and flexibility, as the concepts included within these are inter-related.

77. *Each Annex I Party would reduce CO_2 emissions to 10 per cent below 1990 levels by 2005 and 15-20 per cent by 2010.* **(Austria, in submission by EU)**

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78. *Annex I Parties would reduce CO_2 emissions to 10-20 per cent below 1990 levels by 2010.* **(Belgium, in submission by EU)**

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79. *Annex I Parties would reduce CO_2 emissions by 20 per cent of 1990 levels by 2005 and by 50 per cent of 1990 levels by 2030.* **(Denmark, in submission by EU)**

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80. Each of the Parties listed in Annex X shall, individually or jointly, abide by quantified objectives to achieve significant overall reductions, after the year 2000 below 1990 levels within specified time-frames[16], of anthropogenic emissions by sources and enhancement of removals by sinks of greenhouse gases not controlled by the Montreal Protocol, as set out in Annex Y. **(EU)**

81.1 *As a next step for 2010, Annex I Parties should set the following objectives depending on their tons of carbon equivalent (tCe) net per capita greenhouse gas emission levels in 2000:*

(a) Parties with per capita greenhouse gas emission levels equal to 3 tCe/capita should reduce their emissions to 2.8 to 2.9 tCe/capita by 2010;

(b) Parties with per capita greenhouse gas emission levels equal to 4 t Ce/capita should reduce their emissions to 3.7 to 3.8 tCe/capita by 2010;

(c) Parties with per capita greenhouse gas emission levels equal to 5 tCe/capita should reduce their emissions to 4.5 to 4.6 tCe/capita by 2010;

(d) Parties with per capita greenhouse gas emission levels equal to 6 tCe/capita should reduce their emissions to 5.3 to 5.4 tCe/capita by 2010.

81.2 *These objectives for 2010 assume a target in the range of 1.6 to 2.2 tCe per capita and per year in the year 2100. After the current commitment of Annex I Parties of returning, individually or jointly, to their 1990 levels anthropogenic emissions of CO_2 and other greenhouse gases, this proposal would entail a reduction of 7 to 10 per cent between 2000 and 2010 of the average per capita greenhouse gas emissions of Annex I Parties.* **(France)**

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[16] Such as 2005, 2010 and 2020.

82. *Each Annex I Party would reduce CO_2 emissions by 10 per cent from 1990 levels by 2005, and by 15-20 per cent from 1990 levels by 2010.* **(Germany)**

83.1 Each Party included in Annex I to the Convention shall select one of the following two quantified limitation and reduction objectives for its anthropogenic CO_2 emission by sources within the specified time-frames set out below:

(a) To maintain its anthropogenic emissions of CO_2 over the period from [2000 +x] to [2000+x+[5]] at an average yearly level not more than p tonnes of carbon per capita, or

(b) To reduce its anthropogenic emissions of CO_2 over the period from [2000+x] to [2000+x+[5]] at an average yearly level of not less than q per cent below the level of the year 1990.[17]

83.2 The Meeting of the Parties entrusts a study on anthropogenic emissions of greenhouse gases, other than CO_2 not controlled by the Montreal Protocol, to the Subsidiary Body for Scientific and Technological Advice provided for in Article 9 of the Convention. Until such time as appropriate measures to limit and reduce emissions of such greenhouse gases are decided upon by the Meeting of the Parties on the basis of the study, each Party included in Annex I to the Convention shall make as much effort as possible not to increase its emissions of such greenhouse gases. **(Japan)**

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84. *Annex I Parties together would reduce total greenhouse gas emissions by an average of 1-2 per cent a year.* **(Netherlands, in submission by EU)**

85.1 *Targets should focus on achieving the longer term primary objective of the Convention of stabilising the atmospheric concentration of greenhouse gases, but should also include intermediate milestones of progress.* **(New Zealand)**

85.2 *Emission reduction commitments should be based on a cumulative emissions basis [18], ideally for all Annex I Parties but at a minimum as an option for those Annex I Parties seeking to implement mechanisms that allow flexibility.*

85.3 *Parties who have established their commitments on a cumulative basis and that, in one time period, have emissions lower than their commitments for that time period, should be able to carry forward such emission reduction 'overachievement' to a future period.*

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[17] *The figures x, p, and q should be developed.*

[18] *The practical application of a cumulative emissions basis would be for commitments to amount to averages over defined periods by comparison with some base year (or period).*

85.4 *IPCC inventory methodologies, approved by the Conference of the Parties of the Convention as recommended by SBSTA, should form the basis of determining compliance with Parties' emission limitation and reduction commitments.*

85.5 *Annex I Party commitments for a given time period could be met though a combination of a Party's cumulative emissions in that time period (as measured by emission inventories), less any cumulative emissions 'overachievement' banked from a previous period, plus trading of commitments between countries who have legally binding emission limitation and reduction commitments. Comparison of inventory results with national commitments would determine opportunities for trading. Inventory 'adjustments' would be positive for one Party and negative for the other.*

85.6 *Decisions on the means and criteria by which Annex I Parties might 'adjust' their inventories in relation to joint implementation projects conducted with Parties who do not have legally binding commitments should be included in the instrument.* **(New Zealand et al)**

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86. *The base year for the obligations of Annex I Parties in the new instrument should be that established by the Convention under Article 4.2(b) and Decision 9/CP.2, para. 4.* **(Poland et al)**

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87. *The year 1990 should remain the base year for obligations for the period after the year 2000. The year 2010 is a preferable target year for specific quantitative objectives for reducing or limiting emissions of greenhouse gases.* **(Russian Federation)**

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88. *As a first step, the global objective of the Protocol would be a 10 per cent reduction of the total greenhouse gas emissions of Annex I Parties by the year 2010 compared to 1990 levels.* **(Switzerland)**

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89. *Each Annex I Party would reduce overall greenhouse gas emissions to 5-10 per cent below 1990 levels by 2010. Interim targets may also be appropriate.* **(UK)**

90.1 Each Annex A[19] and Annex B[20] Party shall ensure that its net anthropogenic emissions of greenhouse gases do not exceed its emissions budget for any applicable budget period, as specified in this Article.

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[19] Annex A would include the same States as those listed in Annex I of the Convention, plus those that join subsequently pursuant to Article 2.

[20] Annex B would include those States not listed in Annex A that indicate before adoption of the Protocol that they want to be included in this Annex, plus those that join subsequently pursuant to Article 2.

90.2 For each Annex A and Annex B Party, its emissions budget shall be denominated in tonnes of carbon equivalent emissions allowed and shall equal:

(a) The tonnes of carbon equivalent emissions it is allowed under paragraph 3 or 4 below; plus

(b) Any tonnes of carbon equivalent emissions allowed that are carried over from a prior budget period under paragraph 5 below; plus

(c) Up to [_ percent] of the tonnes of carbon equivalent emissions allowed under paragraph 3 or 4 below, such as may be borrowed from the subsequent budget period under paragraph 6 below; plus

(d) Any tonnes of carbon equivalent emissions allowed that are acquired from another Party under Article 6 (international emissions trading) or Article 7 (joint implementation); minus

(e) Any tonnes of carbon equivalent emissions allowed that are transferred to another Party under Article 6 (international emissions trading).

90.3 (a) For the first budget period, [20_ through 20_], each Annex A Party shall have a number of tonnes of carbon equivalent allowed equal to [a percentage of] its net anthropogenic emissions of tonnes of carbon equivalent in 1990, multiplied by [the number of years in this budget period].

(b) For the second budget period, [20_ through 20_], each Annex A Party shall have a number of tonnes of carbon equivalent emissions allowed equal to [a percentage equal to or less than the percentage in subparagraph 3(a) above] of its net anthropogenic emissions of tonnes of carbon equivalent in 1990, multiplied by [the number of years in this budget period].

(c) [*Possible subsequent budget period(s)*].

90.4 For the budget period [20 through 20_], each Annex B Party shall have a number of tonnes of carbon equivalent emissions allowed equal to [*options for Annex B Parties include: budget periods, base years, and or percentages different from those applicable to Annex A Parties*].

90.5 At the end of a budget period applicable to a Party, any amount by which the Party's emissions of tonnes of carbon equivalent is under its emissions budget for that period may be carried over and added to its emissions budget for the next budget period.

90.6 At the end of a budget period applicable to a Party, any amount of tonnes of carbon equivalent emissions allowed that is borrowed from the subsequent budget period shall be subtracted at a rate of [1.2:1] from the subsequent budget period.

90.7 [*Provision requiring control of greenhouse gases not listed in Annex C*]. **(USA)**

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91. *Annex I Parties that return greenhouse gas emissions to 1990 levels by the year 2000 would reduce emissions by 10 per cent by 2005, by 15 per cent by 2010 and by 20 per cent by 2020. Annex I Parties that fail to return greenhouse gas emissions to 1990 levels by the year 2000 would reduce emissions by 15 per cent by 2005, 20 per cent by 2010 and 25 per cent by 2020.* **(Zaire)**

Differentiation (QELROs)

92.1 Each of the Parties listed in Annex A shall have the QELRO listed for them in that Annex as its specific objective under this instrument for the limitation and reduction of anthropogenic emissions by sources and enhancement by sinks of all greenhouse gases not controlled by the Montreal Protocol.

92.2 *The QELROs for each of the Parties or groups of Parties listed in Annex A should be determined by a systematic process of negotiation between the Parties in accordance with guidelines to be agreed by them, which shall include the time-frame for negotiations.*

92.3 The commitments of Parties as listed in Annex A shall, consistent with the principles set out in Article 3 of the Convention, reflect fully the situation of each Party or specified group of Parties in respect of the following indicators, recognising that the importance of each indicator varies in accordance with individual circumstances for each Party or specified group of Parties:

(a) Projected population growth: the permitted emission level under the QELRO applicable to each Annex A Party should be determined, all other things equal, in direct relationship[21] to its projected population growth and so as to ensure equal percentage changes in per capita economic welfare across Annex A Parties from mitigation action;

(b) Projected real GDP per capita growth: the permitted emission level under the QELRO applicable to each Annex A Party should be determined, all other things equal, in direct relationship[22] to its projected growth of real GDP per capita and so as to ensure equal percentage changes in per capita economic welfare across Annex A Parties from mitigation action;

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[21] *A direct relationship means the higher a Party's population growth, the higher the Party's permitted emission level under the QELRO should be (all other things equal).*

[22] *A direct relationship means the higher a Party's projected real per capita GDP growth, the higher the Party's permitted emission level under the QELRO should be (all other things equal).*

(c) Emission intensity of GDP: the permitted emission level under the QELRO applicable to each Annex A Party should be determined, all other things equal, in inverse relationship[23] to its emission intensity of GDP. However, the strength of this relationship may be decreased, and in some circumstances reversed, according to the industry structure of the economy and the difficulty the Party has in switching to alternative fuel source. In addition, the determination of the permitted emission level under the QELRO applicable to each Annex A Party should also recognise that the higher a Party's emission intensity of GDP, all other things equal, the greater the absolute magnitude of the emission reduction task and therefore the greater the change in per capita economic welfare from mitigation. The determination should ensure equal percentage changes in per capita economic welfare across Annex A Parties from mitigation action;

(d) Emission intensity of exports: the permitted emission level under the QELRO applicable to each Annex A Party should be determined, all other things equal, in direct relationship[24] to its emission intensity of exports while taking into account the extent to which the Annex A Party's export partners comprise non-Annex A Parties. The determination should ensure equal percentage changes in per capita economic welfare across Annex A Parties from mitigation action;

(e) Fossil fuel intensity of exports: the permitted emission level under the QELRO applicable to each Annex A Party should be determined, all other things equal, in direct relationship[25] to its fossil fuel intensity of exports and so as to ensure equal percentage changes in per capita economic welfare across Annex A Parties from mitigation action.

92.4 *Regional economic integration organizations*

The instrument should include provisions relating to the basis on which regional economic integration organizations (REIOs) will be able to participate in the regime of differentiated commitments established by the instrument. For example, consideration will need to be given to how to make provision for the implications of enlargement of REIOs, notification by an REIO of the respective competencies of it and its member States in relation to the subject matter of the instrument, in the case of collective implementation, notification of apportionment of responsibility amongst member States and, in the event that individual

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[23] *An inverse relationship means the lower a Party's emission intensity of GDP, the higher the Party's permitted emission level under the QELRO should be (all other things equal). The strength of this relationship will be decreased, and in some circumstances reversed, according to the proportion of emission intensive industries in the economy, constraints on the availability of technologies such as nuclear and hydro power and, in the absence of subsidies, the dependence on fossil fuels for which a Party faces serious difficulties in switching to alternative fuels.*

[24] *A direct relationship means the higher a Party's emission intensity of exports, the higher the Party's permitted emission level under the QELRO should be (all other things equal). The strength of this relationship should be increased, the higher the proportion of the Party's exports that are directed to non-Annex A Parties.*

[25] *A direct relationship means the higher a Party's fossil fuel intensity of exports, the higher the Party's permitted emission level under the QELRO should be (all other things equal).*

members as well as the REIO are Parties, liability for performance of obligations. **(Australia)**

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93. *Emission limitation and reduction objectives should be differentiated between Annex I Parties according to net per capita emissions of greenhouse gases (tCe) in 2000.* (Note to reader: the above paragraph should be read together with para. 81). **(France)**

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94. A certain degree of flexibility should be allowed to Annex I Parties with economies in transition comparable to the stipulation in Article 4.6 of the Convention. **(Germany)**

95.1 *National circumstances should be taken into account when an overall QELRO is allocated to individual Parties and criteria should be developed for distributing the emission objective. A special formula should be developed, with parameters which are measurable and where internationally acceptable data are available. The formula should include parameters which reflect the previous and future achievements of Parties in improving energy efficiency and in harnessing renewable energy sources, as well as taking into account their level of economic development. To this end, the following parameters could be used:*

Greenhouse gas emission intensity;

(a) Share of renewable energy sources;

(b) Level of greenhouse gas emissions;

(c) GDP per capita.

95.2 *On the basis of this approach, the following formula could be developed:*

$$Yi = A\,[x(Bi\,B) \cdot y\,(Ci\,C) \cdot z(Di\,D) \cdot w(E\,Ei)]$$

where Yi is the percentage reduction of emission of greenhouse gases (CO_2 equivalents) by Party i. Bi to B is CO_2 equivalent emissions to GDP for Party i relative to the average in the Annex I Parties. Ci to C is the GDP per capita in Party i relative to the average for the Annex I Parties and the relation Di to D is CO_2 equivalent emissions per capita in Party i relative to the average of Annex I Parties. E to Ei is the average share of renewable energy of total energy demand of the Annex I Parties relative to the same in Party i. A is a scale factor to ensure that the desired overall reduction in emissions is achieved. The coefficients x, y, z and w are weights, which add up to a total of 1. **(Iceland)**

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96. *Each Annex I Party should choose specific QELROs according to particular differentiation criteria. Such criteria could be as follows:*

(a) Economic growth (GDP);

(b) Historical share of greenhouse gas emissions;

(c) Dependency on income from fossil fuels;

(d) Access to sources of renewable energy;

(e) Defence budget;

(f) Population growth;

(g) Special circumstances;

(h) Share in international trade. **(Iran)**

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97. Each Party included in Annex I to the Convention shall select an objective based either on total emissions, or on emissions per capita. (Note to reader: the above paragraph should be read together with para. 83.) **(Japan)**

98.1 *Parties should undertake commitments based on differentiated QELROs. An overall emission limitation or reduction objective for a group of Parties, for example the Annex I Parties, could be set and QELROs could then be allocated to each Party within the group according to particular criteria and indicators. Criteria for differentiation between Annex I Parties could include:*

(a) A country's emission intensity (reflecting efficiency);

(b) A country's level of greenhouse gas emissions; and

(c) Its level of economic development or 'wealth'.

98.2 *CO_2 equivalent emissions per unit of GDP could be used as an indicator reflecting emission intensity. CO_2 equivalent emissions per capita could be used as an indicator reflecting the level of greenhouse gas emissions and GDP per capita could be used as an indicator reflecting the level of a country's economic development or wealth.*

98.3 *In a formula, the weighted sum of the above indicators for individual Parties could be related to the average for a group of countries (for example the Annex I Parties). If it is assumed that the group agrees on a target for the group as a whole, the indicators suggested could be used to determine the specific targets for individual Parties. Such targets should be determined as annual emissions relative to the projected level for a specified year. By attaching weights to the individual indicators, the three indicators could be combined and constructed as a multi-criteria indicator. By varying the values of the weights, varying importance could be attached to the different indicators. In order to stimulate cost-effective outcomes and reduce the overall international costs of implementing the agreements, the indicator for emission intensity should be given more weight than the two other indicators. An example of a formula in line with this proposal is given below. When an agreed protocol or another legal instrument is to be renegotiated at a later time, the weights in the formula can be adjusted in line with new knowledge.*

$$Yi = A[x(Bi/B) + y(Ci/C) + z(Di/D)]$$

where Yi is the percentage reduction of emissions for Party i. The relation of Bi to B is CO_2 equivalent emissions per unit of GDP for Party i relative to the average in the Annex I Parties. The relation Ci to C is the GDP per capita in Party i relative to the average in the Annex I Parties, while the relation of Di to D is the CO_2 equivalent emissions per capita in Party i relative to the average of the Annex I Parties. A is a scale factor to ensure that the desired overall reduction in emissions is achieved. The coefficients x, y and z are weights, which add up to a total of 1. **(Norway)**

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99. *Each Annex I Party should have some flexibility in adopting QELROs. The following criteria should be used for this purpose:*

(a) GDP per capita;

(b) Contribution to global emissions;

(c) Emissions per capita and or emission intensity of GDP. **(Poland et al)**

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100. *A certain degree of flexibility should be allowed to the group of countries with economies in transition for the period of their economic stabilization, taking into account their real contribution in reducing greenhouse gas emissions into the atmosphere, which has taken place since 1990 due to economic reasons.* **(Russian Federation)**

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101. *Countries should be grouped in categories differentiated by increments of 5 tons of annual CO_2 equivalent emissions per capita. The first category should contain countries with emissions between 3 and 5 tons, the second category countries between 5 and 10 tons, and so*

on. Countries in the same category should receive the same QELROs, starting, for the first category, with an emission cap (stabilization at 1990 levels beyond the year 2000). **(Switzerland)**

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102. *Parties with economies in transition and developing country Parties would not be subject to emission reduction targets, but would implement national policies and measures to limit emissions of greenhouse gases.* **(Zaire)**

Flexibility

Emissions trading

103. *Further consideration should be given to emissions trading and, in this context, to the basis on which it could be established and operate. Any emissions trading regime will need to address fully the need for equitable allocations for Parties undertaking QELRO commitments. Such allocations would need to be differentiated on a basis which satisfied the same set of economic welfare indicators set out in Article 4(c).* **(Australia)**

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104. *Provision should be made to ensure the practical feasibility of a tradeable quotas regime.* **(France)**

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105. *Trading of commitments between Parties who have legally binding emission limitation and reduction commitments should be introduced.* **(New Zealand et al)**

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106. *A system with differentiated QELROs should be combined with flexible instruments, such as tradeable quotas.* **(Norway)**

107.1 An Annex A or Annex B Party that is in compliance with its obligations under Article 3 (measurement and reporting) and that has in place a national mechanism for certification and verification of trades, may transfer to, or receive from, any Annex A or Annex B Party, any of its tonnes of carbon equivalent emissions allowed for a budget period, for the purpose of meeting its obligations under Article 2.

107.2 A Party may authorize any domestic entity (for example government agencies, private firms, non-governmental organizations, individuals) to participate in actions leading to transfer and receipt under paragraph 1 above of tonnes of carbon equivalent emissions allowed.

107.3 A Meeting of the Parties may further elaborate guidelines to facilitate the reporting of emissions trading information. **(USA)**

Joint implementation (JI)

108. *Further consideration should be given to JI.* **(Australia)**

109.1 Parties listed in Annex X may implement such policies and measures as set out in Article 2(b) above and attain such limitation and reduction objectives in greenhouse gases as set out in Article 2(c) above jointly with other Parties listed in Annex X and Parties that have made a notification under Article 2(f) below of intention to be bound by commitments on emission limitation and reduction objectives under Article 2(c) above.

109.2 The Conference of the Parties shall take decisions regarding criteria for joint implementation with other Parties at a future session[26]. **(EU)**

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110. *JI should be possible at the widest possible level in order to fulfil new commitments for the post-2000 period.* **(France)**

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111. *Emission reduction should basically be carried out within each Party's own territory. With regard to CO_2 emission reduction commitments in the period after 2000, a certain portion yet to be determined may be met through joint implementation, whereby a significant part of the commitments must be met through measures within each Party's own territory.*[27] **(Germany)**

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112. *A mechanism should be set up to monitor experiences with activities implemented jointly (AIJ) and to assess the relationship between the quantified emission objectives of Annex I Parties and the quantity of emission reduction achieved through AIJ.* **(Japan)**

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113. JI could be combined with a QELROs system based on cumulative emissions and emissions banking. (Note to reader: this paragraph should be read together with para. 85.) **(New Zealand)**

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[26] As soon as Parties to the Convention have taken a decision on the pilot phase of activities implemented jointly (AIJ) in accordance with Decision 5/CP.1.

[27] *This in principle also applies to commitments regarding other greenhouse gases.*

114. *A system with differentiated QELROs should be combined with flexible instruments, such as AIJ.* **(Norway)**

115.1 *All Parties to the Protocol may fulfil part of their obligation to reduce emissions of greenhouse gases through JI of mitigation measures. JI may contribute up to 50 per cent to meeting the reduction obligation of each Party. The appropriateness of this limit should be reviewed periodically and amended as necessary, taking into account both the environmental effectiveness and economic efficiency of the JI instrument.*

115.2 *JI among Parties to the Protocol may begin after the pilot phase in the year 2000 as soon as they have agreed on modalities for emission crediting.*

115.3 *JI between Parties to the Protocol and other Parties to the Convention may also take place on a voluntary basis to meet the commitments of Parties to the Protocol according to paragraph 1. The respective criteria shall be consistent with decisions taken on JI under the Convention.* **(Switzerland)**

116.1 Any Party that is neither in Annex A nor B may generate tonnes of carbon equivalent emissions allowed through projects that meet the criteria set forth in paragraph 2.

116.2 In addition to any criteria adopted by the Parties to this Protocol, the following criteria shall apply to projects:

(a) Projects must be compatible with and supportive of national environment and development priorities and strategies, as well as contribute to cost effectiveness in achieving global benefits;

(b) Projects must provide a reduction in emissions that is additional to any that would otherwise occur.

116.3 [*Additional provisions to be added on calculation, measurement, monitoring, verification, review and reporting.*]

116.4 Any Party that generates tonnes of carbon equivalent emissions allowed consistent with this Article may:

(a) Hold such tonnes of carbon equivalent emissions allowed; or

(b) Transfer any portion thereof to any Party.

116.5 An Annex A or Annex B Party may acquire tonnes of carbon equivalent emissions allowed under this Article for the purpose of meeting its obligations under Article 2, provided it is in compliance with its obligations under Article 3 (measurement and reporting).

116.6 A Party may authorize any domestic entity (for example government agencies, private firms, non-governmental organizations, individuals) to participate in actions leading to generation, transfer and receipt under this Article of tonnes of carbon equivalent emissions.

116.7 Any Party that is neither in Annex A nor Annex B that generates or acquires tonnes of carbon equivalent emissions allowed under this Article shall notify the secretariat annually of the quantity, origin and destination of such tonnes. **(USA)**

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117. JI can serve as an instrument to allow technology transfer to take place on a more beneficial basis. **(Uzbekistan)**

C. Possible impacts on developing countries of new commitments in the new instrument/economic injuries sustained by developing countries

118. *The commitments in Article 4.2(a) and (b) of the Convention for developed country other Parties included in Annex I should be strengthened by establishing a concrete compensation mechanism for damage arising from implementation of response measures on developing countries referred to in Article 4.8, in order to provide them with the necessary safeguards.* **(G-77 and China)**

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119. A compensation mechanism should be established to compensate for adverse impacts arising from implementation of response measures by Annex I Parties on developing countries specified in Articles 4.8 and 4.10. This mechanism should include the following:

(a) Analyses and assessments of any proposed response measures on developing countries, particularly fossil fuel exporting developing countries;

(b) Preparation of an annex identifying the States characterized by the provisions of Articles 4.8 and 4.10 of the Convention;

(c) Provision of specific measures for these States, including renewable sources of energy, advantages and safeguards;

(d) Establishment of a compensation fund. **(Iran)**

120.1 Any developing country Party to the Convention shall have a claim against all

Annex _ Parties, jointly and severally, for loss of income from exports of fossil fuels, fossil fuel products, raw materials other than fossil fuels or finished or semi-finished goods in any given year after adoption of this Protocol by the Conference of the Parties that is a direct or indirect consequence of the inclusion in this Protocol of commitments by any or all of such Annex _ Parties for QELROs or for policies and measures, or performance or attempted performance by any or all of such Annex _ Parties of any such commitments. For purposes of this paragraph, "loss of income" shall be liberally interpreted. Not in limitation of the foregoing, "loss of income" may be estimated by taking into account estimates of gross revenue (from the aforesaid exports which could reasonably be expected to have been received (Kuwait))[28] by the claimant in the absence of the inclusion of the aforesaid commitments in this Protocol, less reasonably estimated costs of production and export that likely would have been incurred by the claimant in connection with lost exports.

120.2 A Party to the Convention asserting a claim pursuant to this Article _ shall submit its claim in writing to any Annex _ Party against whom it makes such claim within six years following the year for which the claim is made.

120.3 Any Annex _ Party liable on a claim made pursuant to this Article _ shall have a claim for contribution against another Annex _ Party for the portion of the liability that is attributable to the performance or attempted performance by such other Annex _ Party of its commitments referred to in paragraph 1. **(Kuwait and Nigeria)**

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121. *Provisions that may be proposed later concerning the establishment of a compensation mechanism pursuant to this Article*[29] *should be inserted.* **(Kuwait)**

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122. *Provisions that may be proposed later concerning arbitration of claims made pursuant to this Article*[30] *and concerning alternatives to such arbitration should be inserted .* **(Nigeria)**

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123. *Ways to reduce the possible negative economic, social and ecological impact on developing countries of new commitments for Annex I Parties should be explored. The IPCC could assist in making recommendations on this matter.* **(Uzbekistan)**

D. Measurement, reporting and communication of information

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[28] Note to reader: the text submitted by Kuwait and Nigeria differs in this sentence. The additional text proposed by Kuwait is given in parentheses.

[29] On economic injuries sustained by developing countries.

[30] On economic injuries sustained by developing countries.

124.1 Each of the Annex I Parties shall communicate to the Meeting of the Parties, through the secretariat, the following information:

(a) A detailed description of the policies, programmes and measures it has undertaken to implement its commitments under Articles 2 to 4 above; and

(b) A specific estimate of the effects that these policies, programmes and measures will have on anthropogenic emissions by its sources and removals by its sinks of greenhouse gases.

124.2 Each of the Annex I Parties shall also provide information on the full costs and benefits of the policies and measures described in subparagraphs (a) and (b), and indicate how such policies and measures form part of a least cost implementation strategy. At their first Meeting, Parties shall consider and agree on methodologies for Annex I Parties to undertake calculations of the full costs and benefits referred to above.

124.3 Each of the Annex I Parties shall make its initial communication within one year of the entry into force of the Protocol for that Party. The frequency of subsequent communications shall be determined by the first Meeting of the Parties. **(AOSIS)**

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125. Each Party listed in Annex A shall include its National Action Plan in its national communication submitted under Article 12 of the Convention, together with any other information required to be submitted under this instrument. Copies of such documents shall be submitted, through the secretariat, to both the Conference of the Parties to the Convention and the Meeting of the Parties. **(Australia)**

126.1 Parties listed in Annex X shall include in communications under Article 12 of the Convention a detailed description of the policies and measures adopted and implemented to meet the commitments under Articles 2(a) to 2(c) above, specific estimates of their effects and, as appropriate, their costs, and resulting projected anthropogenic emissions.

126.2 Parties listed in Annex X shall submit an initial communication within six months of the entry into force of the Protocol for that Party. Each Party not so listed shall make its initial communication within three years of the entry into force of the Protocol for that Party. The frequency of subsequent communications by all Parties shall be determined by the Conference of the Parties at its sixth and subsequent sessions.

126.3 Such communications shall include in particular the results of reviews of national policies and practices referred to in Article 4.2(e)(ii) of the Convention and any significant

changes identified [31]. **(EU)**

127. Existing review/assessment mechanisms in the Convention relating to the implementation of commitments shall be applicable to commitments made under Article 4.2(a) and (b), and reaffirmed and continued under Article 4.1, respectively. **(G-77 and China)**

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128. *The instrument should use the same reporting channel and procedural methods as the Convention.* **(Iran)**

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129. Each Party included in Annex I to the Convention shall submit, to the secretariat, its initial information including the following elements within six months from the closure of the first session of the Meeting of the Parties, or within six months of the entry into force of the Protocol for the Party if the Protocol enters into force for that Party after the first session of the Meeting of the Parties. The frequency of subsequent submissions by all Parties shall be determined by the Meeting of the Parties, taking into account the differentiated timetable for the initial submission set by this paragraph:

(a) Its quantified objective selected under Article 3;

(b) Its national plan made under Article 5;

(c) Its policies adopted and its measures taken under Article 4;

(d) Its voluntary goals established by the use of the indicators referred to in Article 4, paragraph 3 if the policies and measures referred to in subparagraph (c) above are planned or are under implementation, and assessment carried out by the use of the indicators referred to in Article 4, paragraph 3 if the policies and measures referred to in subparagraph (c) above have been completed; and

(e) Projection until around the middle of the twenty-first century of anthropogenic emissions by sources and removals by sinks of CO_2. (Note to reader: the above paragraphs should be read together with para. 185 on in-depth reviews.) **(Japan)**

130.1 Each Annex _ Party within six months of the entry into force of this Protocol for that Party, shall communicate to the Conference of the Parties, through the secretariat, the following information:

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[31] *Since the new commitments would have to be accompanied by substantial and mandatory reporting commitments, appropriate parts of Article 12 of the Convention could be carried over into the Protocol as such. Additions to the "Guidelines for the preparation of National Communications by Annex I Parties" consistent with the control schedule will also have to be made.*

(a) A detailed description of the policies and measures that it plans to adopt to implement its commitments under Articles _ and _ [*on commitments for QELROs and policies and measures*];

(b) Detailed and specific estimates, accompanied by detailed explanation as to the basis of such estimates, of the anticipated effects of each of the policies and measures identified in the communication referred to in subparagraph (a) above, and of the aggregate anticipated effects of all such policies and measures on the Party's anthropogenic emissions by its sources and removals by its sinks of greenhouse gases during each of the periods referred to in Article _ [*on time-frames for achieving QELROs*].

130.2 Within 12 months of the entry into force of this Protocol for that Party and on or before 15 April of each year thereafter, shall submit to the Conference of the Parties, through the secretariat, a certificate signed by a duly authorized official of that Party, which contains the following information:

(a) Detailed and specific information identifying all changes to the information communicated pursuant to paragraph 1(a) that would make such information more current, informative or reliable;

(b) A list of all laws and other acts of government having the effect of law that, since entry into force of this Protocol for that Party, the Party has adopted in accordance with its internal lawmaking procedures to implement its commitments under Articles _ and _ [*on commitments for QELROs and policies and measures*];

(c) Specific estimates, accompanied by detailed explanation as to the basis of such estimates, of (i) annual imports (measured in physical units and in monetary value) by the Party from the developing country Parties to the Convention of fossil fuels, fossil fuel products, raw materials other than fossil fuels, and finished or semi-finished goods following entry into force of this Protocol for that Party; and (ii) any changes in the future amounts of such imports (measured in physical units and in monetary value) which the Party believes could occur following entry into force of this Protocol for that Party and during each of the periods referred to in Article _ [*on time-frames for achieving QELROs*] and in Article _ [*on time-frames for compliance with commitments to adopt or implement policies or measures*], and

(d) Specific estimates, accompanied by detailed explanation as to the basis of such estimates, of changes (measured in physical units and in monetary value) in the imports identified pursuant to subparagraph (c) above that the Party believes may be directly or indirectly attributable to the Party's actual or prospective fulfilment of its commitments under Articles _ [*on commitments for QELROs and policies and measures*].

130.3 Information communicated by Parties pursuant to paragraph 1 shall be transmitted by the secretariat as soon as possible to each of the Parties to the Convention.

130.4 Upon the initiative of the secretariat, or promptly following delivery to the secretariat of a written request by any Party to the Convention, the secretariat shall undertake an in-depth review of the information contained in a communication or certification submitted by a Party pursuant to paragraph 1 for the purpose of clarifying or supplementing, and making assessments with regard to the completeness and apparent accuracy of all or part of such information. Each Party that has submitted information which is the subject of such in-depth review shall cooperate reasonably with the secretariat in all matters concerning such review. In conducting in-depth reviews, the secretariat shall enlist the assistance of individuals who are qualified to make the assessments referred to above concerning the information that is the subject of such review. Any team or group of individuals providing such assistance to the secretariat shall consist of (at least one individual from a developing country for every two individuals from developed countries (Kuwait)) (equal number of individuals from all regions [those recognised by the United Nations] (Nigeria)[32]) and, in so far as feasible, shall also reflect reasonable balance taking into account the diverse nature of the economies, (within each region, (Nigeria)[33]) of the Parties to the Convention. In so far as possible, the secretariat shall complete each in-depth review that has been requested by a Party to the Convention within six months following receipt of the request and shall transmit a written report of the in-depth review to each Party to the Convention as soon as possible, but no later than four months, following completion of the in-depth review.

130.5 Notwithstanding any other provision of this Protocol, the provisions of Articles _ [*on commitments for QELROs and policies and measures*] shall expire and shall cease to have further force or effect if any one or more Annex _ Parties that, according to the most recent national inventories that have been communicated pursuant to Article 12, paragraph 1 of the Convention, represent individually or in the aggregate 10 per cent or more of the total gross emissions of greenhouse gases (without regard to comparative radiative forcing or consideration of sinks) of all Annex _ Parties:

(a) Shall fail to submit in any one year a communication or a certification as required by paragraph 1; or

(b) Shall fail, at any time after the first anniversary of entry into force of this Protocol, to have adopted, implemented and kept in force policies and measures (including, but not limited to, laws and other acts of government having the effect of law) that, in light of such national inventories, the communications or certifications submitted by such Party or Parties pursuant to paragraph 1, and/or the report of any in-depth review prepared pursuant to paragraph 3 with respect to such communication or certification, reasonably appear to be necessary to enable such Party or Parties to fulfil its or their commitments set forth in Article _ [*on commitments for QELROs*]. **(Kuwait and Nigeria)**

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[32] Note to reader: the text submitted by Kuwait and Nigeria differs in this sentence.

[33] Note to reader: the text submitted by Kuwait and Nigeria differs in this sentence. Additional text proposed by Nigeria is given in parentheses.

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131. [*Provisions that may be proposed later concerning adjudication of disputes regarding paragraph 4 should be inserted.*] **(Nigeria)**

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132. *The provisions of the Convention as well as the existing relevant decisions adopted by the Conference of the Parties would apply mutatis mutandis. Parties to the Protocol should submit consolidated reports on the policies and measures adopted as well as on the specific estimate of their effects on the basis of the already existing regime.* **(Switzerland)**

133.1 Each Annex A and Annex B Party shall have in place by [the first year of its first budget period] a national system for the accurate measurement of anthropogenic emissions by sources, and removals by sinks, of greenhouse gases.

133.2 For the purposes of implementing paragraph 1 and promoting comparability, consistency and transparency, the Parties shall, not later than their second Meeting, decide on minimum standards for the measurement of anthropogenic emissions by sources, and removals by sinks, of greenhouse gases.

133.3 Each Annex A and Annex B Party shall put in place, if it has not already done so, national compliance and enforcement programmes relevant to its implementation of the obligations under this Protocol.

133.4 Each Annex A and Annex B Party shall submit to the secretariat, as part of its communication under Article 12 of the Convention, information on its implementation of this Protocol, including policies and measures it is taking to meet its obligations in Article 2. Such submission shall be in accordance with guidelines which the Parties adopt at their first Meeting, taking into account any relevant guidelines adopted by the Parties to the Convention. Such submission shall also contain the following information:

(a) Once the obligation in paragraph 1 above becomes effective, a description of the national measurement system that it has in place;

(b) Once the obligation in paragraph 1 above becomes effective, the results of its national measurement system;

(c) A quantitative projection of its net anthropogenic emissions of greenhouse gases through the budget periods; and

(d) A description of relevant national compliance and enforcement programmes it has in place pursuant to paragraph 3 above, as well as a description of their effectiveness, including actions taken in cases of non-compliance with national law.

133.5 In addition to the information required to be submitted under paragraph 4, each Annex A and Annex B Party shall submit to the secretariat, on an annual basis and in accordance with the guidelines referred to in paragraph 4, its current calculation corresponding to each of the subparagraphs in Article 2.2 and its remaining emissions budget for that budget period. With respect to any tonnes of carbon equivalent emissions allowed that are acquired or transferred under Articles 6 or 7, the Party shall specify the quantity, Party of origin or destination, and the relevant budget period.

133.6 The first of the submissions referred to in paragraph 5 shall be part of a Party's first communication that is due after the Protocol has been in force for that Party for two years. The frequency of subsequent submissions shall be determined by the Parties.

133.7 Information communicated by Parties under this Article shall be transmitted by the secretariat as soon as possible to the Parties and to any subsidiary bodies concerned.

133.8 Without prejudice to the ability of any Party to make public its communication at any time, the secretariat shall make information communicated by Parties under this Article publicly available at the time it is submitted to the Parties. **(USA)**

E. Voluntary application of commitments by non-Annex I Parties

134. Any Party not included in Annex I of the Convention that has expressed its intention to be bound by Article 4.2(a) and (b) of the Convention in accordance with Article 4.2(g) of the Convention, may in its instrument of ratification, acceptance, approval or accession to this Protocol, or at any time thereafter, notify the Depositary that it intends to be bound by Articles 3 to 5 of this Protocol. The Depositary shall inform the other signatories and Parties of any such notification. **(AOSIS)**

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135. Any Party not listed in Annex X may, in its instrument of ratification, acceptance, approval or accession, or at any time thereafter, notify the Depositary that it intends to be bound by some or all of the commitments under Article 2(b) above to adopt and implement specific policies and measures in Annexes A, B or C, and/or that it intends to be bound by commitments on emissions limitation and reduction objectives under Article 2(c) above. The Depositary shall inform the other signatories and Parties of any such notification. Any Party not listed in Annex X making a notification in relation to Article 2(b) and/or Article 2(c) shall be bound by commitments regarding communication of information relating to implementation under Article 2(e) above, as relevant. **(EU)**

136.1 The Parties not included in Annex I to the Convention are encouraged to voluntarily submit information including the elements referred to in Article 6, paragraph 1.

136.2 If a Party not included in Annex I to the Convention draws up a concrete inventory of technologies which it hopes to introduce and a concrete programme of countermeasures against global warming through introduction of such technologies, the Meeting of the Parties may request the entity entrusted with the operation of the financial mechanism referred to in Article 11 of the Convention to give priority to providing any financial assistance necessary for such a voluntary programme. **(Japan)**

137. Any Party which is not listed in Annex I may declare through the Depositary its will to be bound by the provisions of Article 4.2 (a) and (b) of the Convention, and to be included in Annex I. Such Parties may also declare the base year chosen for their obligations. For Parties which have made such a declaration after COP 2, the base year may be different than for Annex I Parties under the Convention, for example 1995 or 2000. **(Poland et al)**

138.1 Any State not listed in Annex A may, in its instrument of ratification, acceptance, approval or accession, or at any time thereafter, notify the Depositary that it intends to be bound by the obligations of Annex A Parties. It will then be an Annex A Party. The Depositary shall inform the other signatories and Parties of any such notification.

138.2 Any State not listed in Annex A may, in its instrument of ratification, acceptance, approval or accession, or at any time thereafter, notify the Depositary that it intends to be bound by the obligations of Annex B Parties. It will then be an Annex B Party. The Depositary shall inform the other signatories and Parties of any such notification. **(USA)**

III. REVIEW OF COMMITMENTS [34]

139. The Meeting of the Parties shall review and revise the commitments of the Annex I Parties contained in subparagraph (a), and the commitments adopted pursuant to subparagraph (b) above, in accordance with the precautionary principle and the best available scientific information and assessment of climate change, not later than five years after the entry into force of the Protocol and thereafter at regular intervals to be determined by the Meeting of the Parties. **(AOSIS)**

140.1 To ensure the continuing effectiveness of this instrument the Parties shall undertake regular reviews of commitments under Article 4, in accordance with a process to be determined by the Meeting of the Parties. That process shall provide, amongst other things, appropriate time-frames for reviews to take place.

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[34] Note to reader: this section should be read together with that on Conference of the Parties/Meeting of the Parties which also includes proposals relevant to this issue.

140.2 The first review shall be completed [y] years after the entry into force of this instrument and thereafter at intervals of [y] years[35]. In addition, individual Parties may activate the review process in respect of their own commitments outside the scheduled review cycle in the event of an unforeseen change in their circumstances that will have a significant bearing on their capacity to implement their commitments under this Part.

140.3 In carrying out such reviews, the Parties shall have regard to the following:

(a) Any factors having a bearing on the governing equity principle set out in Article 3(a), including changes over time in the Parties' rates of GDP growth, population growth, emission intensity of GDP, fossil fuel intensity of exports and emission intensity of exports;

(b) Developments in scientific understanding of the causes and effects of climate change;

(c) Relevant technological developments.

140.4 At the completion of the process under paragraphs (a) and (b) above, the Meeting of the Parties may recommend adjustment to the commitments as listed in Annex A of any Party or specified group of Parties.

140.5 Any recommendation under the above paragraph shall apply to a Party only when a communication accepting that recommendation has been lodged by that Party with the Depositary. **(Australia)**

141.1 The Conference of the Parties shall review the adequacy of commitments on the basis of Article 2 of the Convention, of best available scientific information and assessment of climate change and its impacts, as well as relevant technical, social and economic information, and take appropriate action.

141.2 The first review and the appropriate action based on that review shall take place no later than 31 December 2002. Further reviews and appropriate action shall take place at regular intervals thereafter, to be decided by the Conference of the Parties.

141.3 The Conference of the Parties at its first session shall review the content and scope of all Annexes and shall update them regularly in the light of progress on the implementation of policies and measures by Parties, including progress on coordination of measures, the

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[35] *The frequency of review could be greater for Economies in Transition, which face greater uncertainty in emissions projections.*

identification or elaboration of additional policies and measures, new scientific or technological advice, and other relevant developments. **(EU)**

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142. Any review under a protocol or other legal instrument must be fully compatible with Article 4.2(d) on the review of adequacy of Article 4.2(a) and (b), to be undertaken by the Conference of the Parties until the objective of the Convention is met. **(G-77 and China)**

143. *The commitments relating to greenhouse gases laid down in the Protocol should be reviewed at regular intervals to be determined and, if need be, further developed in the light of the ultimate objective enshrined in Article 2 of the Convention, taking into account the best available scientific information and assessments on climate change and its impacts, as well as relevant technical, social and economic information.* **(Germany)**

144. *In order to reflect in policies the latest scientific information, such as IPCC Assessment Reports, a mechanism to regularly review this Protocol should be included. The Annex should be revised more flexibly than the Protocol itself.* **(Japan)**

145. *The Protocol should provide for a review mechanism. The QELROs should be periodically revised to include new information delivered by science.* **(Switzerland)**

146. *The adequacy of the emission reduction objective would have to be reviewed well before the target date.* ***(UK)***

147. The Parties shall periodically review this Protocol, and guidelines established thereunder, in light of evolving scientific knowledge related to climate change. **(USA)**

148. *The instrument should include a mechanism to allow the regular review and strengthening of the commitments embodied in a protocol or another legal instrument.* **(Geneva Ministerial Declaration)**

IV. CONTINUING TO ADVANCE THE IMPLEMENTATION OF EXISTING COMMITMENTS IN ARTICLE 4.1

A. General elements

149. In accordance with the Objective and Principles of the Convention, all Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances shall implement national and, where appropriate, regional programmes containing measures to mitigate climate change by addressing anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. **(AOSIS)**

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150. All Parties shall, in accordance with the provisions of Annex E, continue to advance the implementation of commitments in Article 4.1 of the Convention and strengthen their collaboration through bilateral, multilateral and Convention based mechanisms so as to facilitate reaching the ultimate objective of the Convention and in order to achieve sustainable development taking into account Articles 4.3, 4.5 and 4.7 of the Convention.

151.1 *Measures listed below, to be included in Annex E, should be further developed and implemented by all Parties, based on the principle of differentiated responsibilities and capabilities of Parties. (References to relevant Convention Articles are given in parentheses.)*

151.2 National programmes, inventories and reporting

(a) National programmes to be updated regularly in addition to any updating carried out in the context of national communications; (4.1(b))

(b) Parties to provide annual inventory data for greenhouse gases as required by Decision 3/CP.1; (4.1(a))

(c) Parties, to the extent possible, move to use full IPCC compatible methodologies for preparation of inventories; (4.1(a))

(d) Parties to identify and agree to implement strategies to ensure climate change considerations are taken into account in all relevant Government policy areas and initiatives and include an evaluation of the effects thereof in national communications; (4.1(f))

(e) National programmes to incorporate, as appropriate, policies and measures to remove obstacles to the limitation of greenhouse gas emissions and to the enhancement of sinks including by: (4.1(b))

(i) Increasing energy efficiency;

(ii) Increasing the use of renewable energies;

(iii) Making improvements in the transport sector;

(iv) Improving efficiencies in industrial production processes;

(v) Promoting the development and sustainable management of sinks and reservoirs of greenhouse gases;

(vi) Improving integration of climate change considerations into agriculture.

(f) Parties to develop, periodically update, publish and make available to the COP strategies for mitigation of climate change and derive therefrom national inventories of the need and market potential for technologies, practices and processes that control, reduce or prevent anthropogenic emissions of greenhouse gases. (4.1(b) and (c))

151.3 Bilateral/multilateral cooperation

(a) Parties to cooperate in identifying and agreeing specific means and approaches to foster bilateral, regional and global cooperation to facilitate mitigation and adaptation to climate change, including:

(i) Development of national inventories of greenhouse gas emissions; (4.1(a))

(ii) Formulation and implementation of relevant programmes of measures to mitigate and adapt to climate change, with a special consideration of measures which also favour the economic development of Parties; (4.1(b))

(iii) The development, application and diffusion, including transfer of technologies, practices and processes that control, reduce or prevent greenhouse gas emissions particularly in sectors strongly exposed to international competition. (4.1(c))

(b) Participation, on a voluntary basis, in activities implemented jointly; (4.1(b))

(c) Develop and implement indicators relevant to mitigation of and adaptation to climate change in the context of sustainable development with particular reference to paragraph 4 of decision 4/5 adopted by the United Nations Commission on Sustainable Development at its fourth session, in 1996. (4.1(f))

151.4 Participation in work of international organizations (4.1(g), (h) and (i))

(a) Parties, to the extent possible, to support and/or participate in the work of:

(i) International bodies, such as the World Meteorological Organization (WMO), the United Nations Environment Programme (UNEP), IMO and ICAO, in examining, elaborating, assessing, developing and implementing strategies for mitigation and adaptation to climate change; and

(ii) International programmes related to climate change, such as the World Climate Programme and the forthcoming Climate Agenda proposal, as well as the START initiative of the International Geosphere-Biosphere Programme (IGBP) and the scientific and educational programmes of WMO and UNEP as they are developed. **(EU)**

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152 1 Continuing to advance implementation of Article 4 1 by non-Annex I Parties is contingent upon the effective implementation by developed country Parties of their commitments related to financial resources and transfer of technology for:

(a) The development at the national level of systematic observation and data archives, scientific and technical research, and support for improving endogenous capacities and capabilities to participate in international and intergovernmental programmes related to the climate system,

(b) (i) The enhancement at the national level of access to, and the exchange of, data and analyses thereof, obtained from areas beyond national jurisdiction;

(ii) The assessment at the national level of the economic and social impacts of climate change, including sea level rise, changes in storms or storm surges, and the risk to coastal ecosystems, including fragile ecosystems, wetlands, coral reefs and atolls, as well as freshwater supplies, arid and semi-arid areas, drought and desertification.

(c) The assessment at the national level of the economic and social consequences on developing countries of various response strategies, with a view to minimizing adverse effects on the economy, on infrastructure, on human settlements, on social and cultural practices, on public health and on the quality of the environment of projects or measures undertaken by them to mitigate or adapt to climate change;

(d) The development and implementation at the national level of education and training programmes, including the strengthening of national institutions and the exchange or secondment of personnel to train experts;

(e) The development and implementation of integrated plans for coastal zone management, water resources and agriculture, and for the protection and rehabilitation of areas affected by drought and desertification, as well as floods;

(f) The sustainable management for conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases, including biomass, forests and oceans as well as other terrestrial, coastal and marine ecosystems;

(g) The transfer of technologies, practices and processes that control, reduce or prevent anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol in all relevant sectors, including the energy, transport, industry, agriculture, forestry and waste management sectors, taking fully into account Chapter 34 of Agenda 21;

(h) The development at the national level of local emission factors, activity data and models that reflect the socio-economic conditions of each developing country Party for the elaboration and periodic updating of national inventories, in the light of the preparations of initial national communications based on the guidelines and format for non-Annex I communications;

(i) Following from and based on all the above, formulation, implementation, publication and regular updating at the national and, where appropriate, regional levels, of programmes containing measures to address climate change and its adverse impacts in order to achieve sustainable development.

152.2 Since this is an integral part of the process of preparations of national communications, the operating entity of the financial mechanism shall provide the necessary resources for the implementation of the above activities in each developing country Party in an expeditious and timely manner.

152.3 The extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties. **(G-77 and China)**

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153. *Non-Annex I Parties could, in particular:*

(a) Progressively implement those climate change mitigation policies and measures which also foster their long term economic development. In this context, the removal of subsidies on fossil energy should be seriously considered;

(b) Participate in common and/or coordinated actions initiated by Annex I Parties in sectors largely open to international competition, in order to avoid "leakages" which would result in an unfair outcome and undermine the global mitigation effort. **(France)**

154.1 *The instrument should ensure that accurate information regarding the current situation of adoption of policies and measures by each Party is shared among all Parties. In particular, issues relating to communications and inventories from non-Annex I Parties should be clarified and reaffirmed in a protocol or another legal instrument.*

154.2 *To ensure the submission of communications and inventories from all Parties, appropriate measures to support non-Annex I Parties in this respect should be considered, for example more effective coordination between the Convention and the GEF.* **(Japan)**

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155. *Non-Annex I Parties are invited to take part in the effort to reduce greenhouse gas emissions on a voluntary basis through, among other things, implementing agreements similar to those developed by the IEA.* **(Switzerland)**

156.1 *Article 4.1(a): National inventories*

(a) [Require encourage] all Parties to move to use of full IPCC compatible methodology for preparation of inventories [as soon as possible after 2000 by a given date];

(b) Strengthen [requirement commitment] for all Parties to provide annual inventory [data updates] for [all specified] greenhouse gases [within a given period by a given date];

(c) Identify and agree to implement specific actions to foster bilateral, regional and global cooperation to facilitate development of national inventories.

156.2 *Article 4.1(b): Programmes to mitigate and adapt to climate change*

(a) Strengthen commitment to update national programmes: to be provided [annually on a given frequency], not only when a further communication to the Convention is due;

(b) Identify and agree to implement specific actions to foster bilateral, regional and global cooperation to facilitate formulation and implementation of national programmes of measures to mitigate and adapt to climate change.

156.3 *Article 4.1(c): Technologies, practices and processes*

(a) Identify and agree to implement specific actions to foster bilateral, regional and global cooperation to increase the development, application and diffusion, including transfer, of technologies, practices and processes that control, reduce or prevent greenhouse gas emissions.

156.4 *Article 4.1(e): Adaptation*

(a) All Parties to participate fully in the work of international bodies (such as UNEP) in examining, assessing and developing strategies for adaptation to climate change.

156.5 *Article 4.1(f): Climate change considerations*

(a) Identify and agree to implement strategy to ensure climate change considerations are taken into account in all relevant Government policy areas and initiatives.

156.6 *Article 4.1(g): Research and development Article 4.1(h): exchange of information*

(a) All Parties to participate fully in the World Climate Programme and the Climate Agenda [currently being prepared by United Nations Agencies, led by UNEP].

156.7 *Article 4.1(i): Education, training and public awareness*

(a) All Parties to support, and/or participate in the START initiative of the IGBP and the educational programmes of WMO UNEP.

156.8 *Article 4.1(j): Communications to the Conference of the Parties*

(a) All Parties should identify in their national communications any of their policies and practices which encourage activities that lead to greater levels of anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol than would otherwise occur.

156.9 *Cross-cutting options*

(a) All Parties to be encouraged to ratify the Convention.

(b) Develop and implement indicators of climate change in the context of sustainable development, with particular reference to paragraph 4 of decision 4/5 adopted by the United Nations Commission on Sustainable Development at its fourth session in 1996, and include these in national communications.

(c) Strengthen arrangements for in-depth reviews of Annex I Parties' communications, along the lines of the OECD Country Environmental Performance Reviews (that is, including a formal opportunity for other Parties to ask questions about the review findings);

(d) Introduce in-depth reviews of non-Annex I Parties' national communications, along the lines of existing arrangements for Annex I. ***(UK)***

157.1 Recognizing the progress that has been made to date in implementing commitments under Article 4.1 of the Convention:

157.2 The Parties reaffirm their commitments under Article 4.1 of the Convention and the need to continue to advance the implementation of such commitments.

157.3 Each Party shall strengthen its legal and institutional framework to advance the implementation of its commitments under Article 4.1 of the Convention.

157.4 Each Party shall take measures to facilitate investment in climate-friendly technologies.

157.5 Each Party shall report, as part of its communication under the Convention, on how it is promoting public education and participation in the development of climate change policy.

157.6 Each Party that is neither in Annex A nor Annex B shall identify and implement "no regrets" measures for mitigating net anthropogenic emissions of greenhouse gases, including any identified through the review process under paragraph 7 below. In this regard, each such Party shall also:

(a) Quantify the effects of the measures it implements;

(b) Evaluate barriers to the adoption of potential measures;

(c) Report to the secretariat, as part of its communication under the Convention, on the measures it has implemented, plans to implement, and barriers to the adoption of potential measures.

157.7 Each Party that is neither in Annex A nor Annex B shall submit to the secretariat, on an annual basis, its inventory of greenhouse gas emissions. Such inventory shall be consistent with any guidelines adopted by the Parties.

157.8 The Parties shall establish a process for reviewing communications received under the Convention from the Parties identified in paragraphs 5 and 6. The process shall be designed:

(a) To enable the review of the effects of individual measures described in paragraph 5;

(b) To assist such Parties in identifying and implementing "no regrets" measures for mitigating net anthropogenic emissions of greenhouse gases;

(c) To seek to identify key sectors and technological options within them;

(d) To consider possibilities for promoting voluntary arrangements with industry aimed at identifying and encouraging implementation of "no regrets" measures; and

(e) To explore various means through which such Parties could obtain both the know-how and the technology needed to implement options identified. **(USA)**

158. *Non-Annex I Parties can only take on commitments if they are provided with the necessary financial support from developed countries. Ways in which non-Annex I Parties could be supported in the implementation of their commitments should be included in an annex to the protocol or another legal instrument. The annex should also list measures to encourage the submission of proposals from non-Annex I Parties on how best to fulfil their obligations. Such measures could be facilitated by more effective coordination between the Convention and the GEF.* **(Uzbekistan)**

B. Technology transfer

159. Annex I Parties shall ensure:

(a) That the best available technologies, practices and processes that control, reduce or prevent anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol in all relevant sectors, including the industrial, energy, transport, industry, agriculture, forestry and waste management sectors, are expeditiously transferred to developing country Parties to this Protocol;

(b) That every practicable step is taken to support the development and enhancement of the endogenous capacities and technologies of developing country Parties;

(c) That the transfers referred to in subparagraph (a) above occur under fair and most favourable conditions. **(AOSIS)**

160. The Protocol should provide for further development of the commitments under the Convention entered into by Annex II Parties (Article 4.5) so as to promote, facilitate and finance, as appropriate, the transfer of, or access to, environmentally sound technologies and know-how to other Parties, in particular non-Annex I Parties. **(Germany)**

161. The Parties fully recognize the important role that the development and transfer of technology should perform for the mitigation of climate change, and will make every effort to ensure that this role is fulfilled. **(Japan)**

162. *The protocol or another legal instrument should provide mechanisms to stimulate the transfer of technologies.* **(Russian Federation)**

163. *The instrument should include a mechanism for the transfer of technology to developing countries, and should elaborate the terms of such cooperation.* **(Uzbekistan)**

164. *The instrument should include commitments to a global effort to speed up the development, application, diffusion and transfer of climate-friendly technologies, practices and processes; in this regard, further concrete action should be taken.* **(Geneva Ministerial Declaration)**

V. EVOLUTION

165. The Parties shall adopt, by [2005], binding provisions so that all Parties have quantitative greenhouse gas emissions obligations and so that there is a mechanism for automatic application of progressive greenhouse gas emissions obligations to Parties, based upon agreed criteria. **(USA)**

VI. INSTITUTIONS AND PROCESSES

A. Conference of the Parties/Meeting of the Parties

166.1 A Meeting of the Parties is hereby established. The Meeting of the Parties shall keep under regular review the implementation of the Protocol and shall make, within its mandate, the decisions necessary to achieve its effective implementation. To this end, it shall:

(a) Periodically review the commitments of the Parties and the institutional arrangements under the Protocol, in the light of the Objective and Principles of the Convention, the experience gained in the Protocol's implementation and the evolution of scientific and technological knowledge;

(b) Adopt targets and timetable referred to in Article 3.1;

(c) Review and revise the commitments of Annex I Parties referred to in Article 3.2;

(d) Receive, review and ensure the publication of information submitted to it, including the reports submitted by Parties pursuant to Article 5;

(e) Regularly assess the overall aggregated effect of the steps taken by Annex I Parties in the light of the latest scientific assessments concerning climate change, and of the Protocol's objective, and ensure the publication of such assessments;

(f) At its first Meeting, agree upon and adopt by consensus, rules of procedure and financial rules for itself and for any subsidiary body;

(g) Receive reports from, and if necessary give guidance to, the financial mechanism and to subsidiary bodies on matters relating to the implementation of this Protocol;

(h) Seek and utilize, where appropriate, the services and cooperation of, and information provided by, competent international organizations and intergovernmental and non-governmental bodies;

(i) Establish further subsidiary bodies as may be deemed necessary for the implementation of the Protocol;

(j) Make recommendations on any matters necessary for the implementation of this Protocol;

(k) Consider and, if approved, adopt proposals for any amendment of or addition to this Protocol or any annex thereto;

(l) Exercise such other functions as are required for the implementation of this Protocol, including any functions assigned to it by the Conference of the Parties.

166.2 The secretariat shall convene the first Meeting of the Parties not later than one year after the date of the entry into force of this Protocol and, if feasible, in conjunction with a meeting of the Conference of the Parties. Thereafter ordinary sessions of the Meeting of the Parties shall be held every year in conjunction with sessions of the Conference of the Parties, unless otherwise decided by the Meeting of the Parties.

166.3 Extraordinary sessions of the Meeting of the Parties shall be held at such other times as may be deemed necessary by the Meeting of the Parties, or at the written request of any Party, provided that, within six months of such a request being communicated to the Parties by the secretariat, it is supported by at least one third of the Parties.

166.4 The United Nations, its specialized agencies and the International Atomic Energy Agency, as well as any State not party to this Protocol, may be represented at any Meeting of the Parties as observers. Any body or agency, whether national or international, governmental or non-governmental, which is qualified in matters covered by the Protocol and which has informed the secretariat of its wish to be represented at a session of the Meeting of the Parties as an observer, may be so admitted unless at least one third of the Parties present object. The admission and participation of observers shall be subject to the rules of procedure adopted by the Parties at their first Meeting.

166.5 The first Meeting of the Parties shall adopt by consensus financial rules, in accordance with guidance received from the Conference of the Parties, to ensure that any additional funds for the operation of this Protocol are provided by the Parties to this Protocol. **(AOSIS)**

167.1 A Meeting of the Parties is hereby established.

167.2 The Meeting of the Parties, as the supreme body of this instrument, shall keep under regular review the implementation of the instrument and shall make, within its mandate, the decisions necessary to promote the effective implementation of the instrument. To this end, it shall:

167.3 *(List of functions based on those provided for the Conference of the Parties under Article 7.2 of the Convention, including one entitling the Meeting of the Parties to adopt rules of procedure and one modelled on Article 4.2(f) of the Convention.)*

167.4 Sessions of the Meeting of the Parties shall be held in conjunction with those of the Conference of the Parties to the Convention. Extraordinary sessions of the Meeting of the Parties shall be held at such other times as may be deemed necessary by the Meeting of the Parties.

167.5 The Meeting of the Parties shall decide at its first session on the conditions under which non-Party States, intergovernmental organizations and non-governmental organizations may be represented as observers at sessions of the Meeting. **(Australia)**

168.1 The Conference of the Parties to the Convention shall serve as the Conference of the Parties of the Protocol. To this end, for the purposes of Articles 5 to 8 of this Protocol references in Articles 7 to 10 of the Convention to "the Convention" and "the Parties" shall be understood as references to "the Protocol" and "the Parties to the Protocol" respectively.

168.2 When the Conference of the Parties exercises its functions with regard to matters concerning the Protocol, decisions shall be taken only by those of its members that are, at the same time, Parties to the Protocol.

168.3 When the Conference of the Parties exercises its functions with regard to matters concerning the Protocol, any member of the bureau of the Conference of the Parties representing a Party to the Convention, but, at the same time, not a Party to the Protocol, shall be substituted by an additional member to be elected by and from the Parties to the Protocol. **(EU)**

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169. *The Protocol should utilise the same Conference of the Parties as the parent Convention.* **(Switzerland)**

170.1 The Parties shall hold meetings at regular intervals. The secretariat shall convene the first meeting of the Parties not later than one year after the date of the entry into force of this Protocol and in conjunction with a meeting of the Conference of the Parties to the Convention.

170.2 Subsequent meetings of the Parties shall be held, unless the Parties decide otherwise, in conjunction with meetings of the Conference of the Parties to the Convention. Extraordinary meetings of the Parties shall be held at such other times as may be deemed necessary by a meeting of the Parties, or at the written request of a Party, provided that within six months of such a request being communicated to them by the secretariat, it is supported by at least one third of the Parties.

170.3 The Parties, at their first meeting, shall:

(a) Adopt, by consensus, rules of procedure for their meetings;

(b) [*other*].

170.4 The functions of the meeting of the Parties shall be to:

(a) Review the implementation of this Protocol, including the information submitted in accordance with Article 3;

(b) Periodically review the adequacy of this Protocol;

(c) [*other*].

170.5 The United Nations, its specialized agencies and the International Atomic Energy Agency, as well as any State not party to this Protocol, may be represented at meetings of the Parties as observers. Any body or agency, whether national or international, governmental or non-governmental, qualified in fields relating to climate change which has informed the secretariat of its wish to be represented at a meeting of the Parties as an observer may be admitted unless at least one third of the Parties present object. The admission and participation of observers shall be subject to the rules of procedure adopted by the Parties. **(USA)**

B. Secretariat

171. The secretariat established by the Convention or by the Conference of the Parties shall be available for use by the Parties subject to the prior approval of such arrangements by the Conference of the Parties. **(AOSIS)**

172. *The instrument should provide that the Convention secretariat service the new regime. It should list the functions to be performed by the secretariat in a general and brief way, and should provide that the cost of the secretariat services for the new instrument is to be met only by its Parties.* **(Australia)**

173.1 The secretariat of the Convention shall serve as the secretariat of the Protocol. Arrangements made for its functioning under Article 8.3 of the Convention shall apply *mutatis mutandis* to the Protocol.

173.2 The functions of the secretariat shall be:

(a) To compile, synthesize and transmit to the Conference of the Parties reports submitted to it and information communicated to it in accordance with Article 2(e);

(b) To facilitate assistance to the Parties, particularly developing country Parties, on request, in the compilation and communication of information required in accordance with the provisions of the Protocol;

(c) To perform other secretariat functions specified in the Protocol and such other functions as may be determined by the Conference of the Parties. **(EU)**

174. *The Protocol should utilize the same secretariat as the parent Convention, with a possible expansion of its work programme in accordance with Article 8.2(g) of the Convention.* **(Switzerland)**

175.1 In accordance with Article 8.2(g) of the Convention, the secretariat of this Protocol shall be the secretariat of the Convention.

175.2 The functions of the secretariat shall be:

(a) .... **(USA)**

C. Subsidiary bodies

176. The subsidiary bodies established by the Convention or by the Conference of the Parties shall be available for use by the Parties subject to the prior approval of such arrangements by the Conference of the Parties. **(AOSIS)**

177. *The instrument should provide that both the Subsidiary Body for Implementation (SBI) (subject to resolving possible questions about its legal capacity to do so) and the SBSTA provide services to the instrument broadly similar to those provided to the Convention. The cost of undertaking additional work should be met by the Parties to the instrument. The question of participation in the work of these bodies by nationals of countries not Party to the instrument should be considered in the light of the precise role these bodies are given in the instrument.* **(Australia)**

178.1 The Subsidiary Body for Scientific and Technological Advice of the Convention shall serve as the Subsidiary Body for Scientific and Technological Advice of the Protocol.

178.2 When the Subsidiary Body for Scientific and Technological Advice exercises its functions with regard to matters concerning the Protocol, decisions shall be taken only by those of its members that are, at the same time, Parties to the Protocol.

178.3 When the Subsidiary Body for Scientific and Technological Advice exercises its functions with regard to matters concerning the Protocol, any member of the bureau of the Subsidiary Body for Scientific and Technological Advice representing a Party to the Convention, but, at the same time, not a Party to the Protocol, shall be substituted by an additional member to be elected by and from the Parties to the Protocol

178.4 The Subsidiary Body for Implementation of the Convention shall serve as the Subsidiary Body for Implementation of the Protocol.

178.5 When the Subsidiary Body for Implementation exercises its functions with regard to matters concerning the Protocol, decisions shall be taken only by those of its members that are, at the same time, Parties to the Protocol.

178.6 When the Subsidiary Body for Implementation exercises its functions with regard to matters concerning the Protocol, any member of the bureau of the Subsidiary Body for Implementation representing a Party to the Convention, but, at the same time, not a Party to the Protocol, shall be substituted by an additional member to be elected by and from the Parties to the Protocol. **(EU and USA)**

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179. *The instrument should use the same subsidiary bodies as the Convention.* **(Iran)**

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180. *The subsidiary bodies established under the Convention (SBSTA, SBI) should support the Protocol.* **(Switzerland)**

D. Coordination mechanism

181.1 A mechanism to facilitate Annex I Parties' coordination of measures developed to achieve the Objective of the Convention is hereby established to provide the Meeting of the Parties and, as appropriate, the institutions established by the Convention and other relevant international organizations with timely advice on the coordination of such measures.

181.2 The mechanism shall provide advice on the full range of measures the coordination of which could assist Annex I Parties implement their commitments to combat climate change and the adverse effects thereof. These measures shall include, *inter alia*, the coordination of economic instruments such as taxes or subsidies, administrative instruments such as least cost or integrated resource planning, energy efficiency standards and recycling, and specific measures covering the industrial, energy, transportation, land use, agriculture, waste management and forestry sectors.

181.3 The mechanism shall be open to participation by all Parties to this Protocol and shall be multi-disciplinary. It shall comprise governmental representatives competent in the relevant field of expertise. It shall report regularly to the Meeting of the Parties on all aspects of its work.

181.4 The functions, terms of reference, organization and operation of this mechanism shall be elaborated further at the first Meeting of the Parties. **(AOSIS)**

E. Financial mechanism

182. The financial mechanism established by the Convention or by the Conference of the Parties shall be available for use by the Parties subject to the prior approval of such arrangements by the Conference of the Parties. **(AOSIS)**

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183. The financial mechanism defined for the purposes of the Convention as well as the entity or entities entrusted with its operation shall serve as the financial mechanism and entity or entities for the purpose of the Protocol. **(EU)**

F. Review of information and review of implementation and compliance

184. *An Implementation Committee should be established by the Conference of the Parties.* (Note to reader: the above paragraph should be read together with para. 189 on the establishment of a multilateral consultative process.) **(EU)**

185.1 A team of experts commissioned by the secretariat shall review the information of each Party submitted in accordance with paragraph 1 above. The team of experts shall report the results of the review to the Meeting of the Parties.

185.2 If the Meeting of the Parties, on receipt of the reports referred to in paragraph 2 above, concludes that a Party is under difficulty in achieving the quantified objective referred to in Article 3, paragraph 1, the Meeting shall make recommendations to the Party. The Party which received such recommendations shall review its policies and measures, and submit the results of its review to the Meeting of the Parties within one year of making such recommendations. **(Japan)**

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186. *A mechanism should be created to monitor the implementation of and compliance with the Protocol.* ***(Switzerland)***

187.1 In addition to the review of communications conducted under Article 10.2(b) of the Convention, the Meeting of the Parties shall consider the information submitted by Annex A and Annex B Parties under Article 3 in order to assess those Parties' implementation of their obligations.

187.2 Reviews will be conducted by expert review teams, which will be coordinated by the secretariat and composed of experts selected from those nominated by Parties and, as appropriate, by intergovernmental organizations.

187.3 Reviews will be in accordance with guidelines to be adopted by the Meeting of the Parties. These guidelines shall, *inter alia*, provide for how information will be made available to the public and define mechanisms by which observers and the public may provide comments, supplemental data or other information to facilitate and improve reviews. The guidelines shall be periodically reviewed by the Parties for appropriate revision.

187.4 Review teams will review all aspects of a Party's implementation of this Protocol, including the likelihood that a Party will achieve its emissions budgets obligations. They will prepare a report assessing a Party's implementation of its obligations, identifying any areas of apparent non-compliance, as well as potential problems in achieving obligations. Reports will be provided to a Meeting of the Parties.

187.5 Based on such reports, a Meeting of the Parties may make recommendations to a Party. In such case, the Party shall review its implementation, take appropriate action, and report back to the next Meeting of the Parties on its action.

187.6 *There would also be provisions setting forth various consequences for non-compliance with obligations, as determined by a Meeting of the Parties. Consequences would correspond to the type, degree, and frequency of non-compliance. Some would be automatic, while others might be discretionary. Consequences could include, for example:*

(a) Denial of the opportunity to sell tonnes of carbon equivalent emissions allowed through international emissions trading and or joint implementation;

(b) Loss of voting rights and/or other opportunities to participate in processes under the Protocol. **(USA)**

G. Multilateral consultative process

188.1 If and when a Multilateral Consultative Process is established under Article 13 of the Convention, the Meeting of the Parties may decide whether and on what conditions agreement be sought for that process to be made available for this instrument. The Meeting of the Parties shall make any arrangements that are necessary to give effect to such a decision by agreement with the Conference of the Parties to the Convention. **(Australia)**

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189. The Conference of the Parties shall, at its first session after the entry into force of the Protocol, establish a multilateral consultative process including an Implementation Committee to review, at the request of a Party or Parties, the secretariat, or a Party in respect of itself, compliance with its obligations under the Protocol. Such Committee shall have, among its functions to regularly report to the Conference of the Parties, which shall take appropriate decisions in the light of such reports. The review procedure shall be simple, facilitative, cooperative, non-judicial and transparent. Its application shall be without prejudice to the provisions of Article 14 of the Convention. **(EU)**

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190. [The Parties, at their first Meeting or as soon as practicable thereafter, shall consider the establishment of a multilateral consultative process to promote effective implementation of the Convention.] **(USA)**

H. Dispute settlement

191. In the event of a dispute arising between any two or more Parties concerning the interpretation or application of the Protocol, the Parties shall seek a settlement in accordance with Article 14 of the Convention. **(AOSIS)**

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192. Article 14 of the Convention shall apply to this instrument. **(Australia)**

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193. *Article 14 of the Convention is applicable to the Protocol.* **(EU)**

194.1 When ratifying, accepting, approving or acceding to the Protocol, a Party which is not a regional economic integration organization may declare in a written instrument submitted to the Depositary that, in respect of any dispute concerning the interpretation or application of

paragraph 4 of the Article concerning the implementation of commitments (or of any other provision of this Protocol necessary to the interpretation or application of the said paragraph 4) any claim made pursuant to the Article concerning the economic injuries sustained by developing countries, it recognizes as compulsory ipso facto and without special agreement, in relation to any Party to the Convention accepting the same obligation:

(a) Submission of the dispute to the International Court of Justice; and/or

(b) Arbitration in accordance with procedures to be adopted by the Conference of the Parties.

194.2 A Party which is a regional economic integration organization may make a declaration with like effect in relation to arbitration in accordance with the procedures referred to in subparagraph (b) above. **(Kuwait)**

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195. *The provisions of the Convention relating to the settlement of disputes should apply mutatis mutandis to the Protocol.* **(Switzerland)**

196.1 [*Silence, with the result that Article 14 of the Convention would apply to this Protocol.*]

196.2 [*In addition, mandatory, binding dispute settlement* [*with specific consequences flowing from a violation*] *among Annex A and Annex B Parties, as well as against other Parties as appropriate (for example, host countries under Article 7).*]

196.3 *This process would be without prejudice to the review and compliance process under Article 4.* **(USA)**

VII. FINAL ELEMENTS

A. Decision-making

197. Decisions under this Protocol shall be taken only by Parties to this Protocol. **(AOSIS)**

198.1 *When the Conference of the Parties exercises its functions with regard to matters concerning the Protocol, decisions shall be taken only by those of its members that are, at the same time, Parties to the Protocol.*

198.2 *When the Conference of the Parties exercises its functions with regard to matters concerning the Protocol, any member of the bureau of the Conference of the Parties*

representing a Party to the Convention, but, at the same time, not a Party to the Protocol, shall be substituted by an additional member to be elected by and from the Parties to the Protocol. **(EU)**

199.1 *When the Subsidiary Body for Scientific and Technological Advice or the Subsidiary Body for Implementation exercises its functions with regard to matters concerning the Protocol, decisions shall be taken only by those of its members that are, at the same time, Parties to the Protocol.*

199.2 *When the Subsidiary Body for Scientific and Technological Advice, or the Subsidiary Body for Implementation, exercises its functions with regard to matters concerning the Protocol, any member of the bureau of the Subsidiary Body for Scientific and Technological Advice, or the Subsidiary Body for Implementation, representing a Party to the Convention, but, at the same time, not a Party to the Protocol, shall be substituted by an additional member to be elected by and from the Parties to the Protocol.* **(EU and USA)**

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200. *Any Party to the Convention may propose amendments to this Protocol, annexes to this Protocol, and amendments to annexes to this Protocol. For purposes of Article 17.5 of the Convention, the phrase "Decisions under any Protocol" shall not be interpreted or applied to include adoption of an amendment or annex to this Protocol nor amendment to any such annex. The authority to adopt any of the foregoing is vested in the Conference of the Parties.* **(Kuwait and Nigeria)**

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201. *Decision-making authority should rest with the Parties to the Protocol.* **(Switzerland)**

B. Amendments

202.1 Any Party may propose amendments to the Protocol.

202.2 Amendments to the Protocol shall be adopted at a Meeting of the Parties. The text of any proposed amendment to the Protocol shall be communicated to the secretariat who shall inform the Parties of the proposed amendment at least six months before the meeting at which it is proposed for adoption.

202.3 The Parties shall make every effort to reach agreement on any proposed amendments to the Protocol by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the amendment shall as a last resort be adopted by a two-thirds majority vote of the Parties present and voting at the meeting. The adopted amendment shall be

communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance.

202.4 Instruments of acceptance in respect of an amendment shall be deposited with the Depositary. An amendment adopted in accordance with paragraph 3 above shall enter into force for those Parties having accepted it on the ninetieth day after the date of receipt by the Depositary of an instrument of acceptance by at least two-thirds of the Parties to the Protocol.

202.5 The amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits with the Depositary its instrument of acceptance of the said amendment.

202.6 For the purposes of this Article, "Parties present and voting" means Parties present and casting an affirmative or negative vote. **(AOSIS)**

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203 Amendments to this instrument may be made, *mutatis mutandis*, in accordance with the procedures set out in Article 15 of the Convention. **(Australia)**

204.1 Any Party may propose amendments to the Protocol.

204.2 Amendments to the Protocol shall be adopted at an ordinary session of the Conference of the Parties. The text of any proposed amendment to the Protocol shall be communicated to the Parties by the secretariat at least six months before the session at which it is proposed for adoption. The secretariat shall also communicate proposed amendments to the signatories to the Protocol and, for information, to the Depositary.

204.3 The Parties shall make every effort to reach agreement on any proposed amendment to the Protocol by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the amendment shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the session. The adopted amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance.

204.4 Instruments of acceptance in respect of an amendment shall be deposited with the Depositary. An amendment adopted in accordance with paragraph 3 above shall enter into force for those Parties having accepted it on the ninetieth day after the date of receipt by the Depositary of an instrument of acceptance by at least three fourths of the Parties to the Protocol.

204.5 The amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits with the Depositary its instrument of acceptance of the said amendment.

204.6 For the purposes of this Article, "Parties present and voting" means Parties present and casting an affirmative or negative vote. **(EU)**

205.1 Any Party to the Convention may propose amendments to this Protocol. For purposes of Article 17.5 of the Convention, the phrase "Decisions under any Protocol" shall not be interpreted or applied to include adoption of an amendment to this Protocol. The authority to adopt the foregoing is vested in the Conference of the Parties.

205.2 Amendments to this Protocol may be adopted only at an ordinary session of the Conference of the Parties by consensus. The text of any proposed amendment shall be prepared in one of the following languages: Arabic, Chinese, English, French, Russian and Spanish, and shall be translated into each of the other languages, and the secretariat shall communicate the text of the proposed amendment to each of the Parties to the Convention in one of those languages reasonably believed by the secretariat to be preferred by the Party to the Convention at least six months before the meeting of the Conference of the Parties at which it is proposed for adoption. The secretariat also shall communicate proposed amendments to the signatories to the Convention and, for information, to the Depositary.

205.3 An adopted amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to each of the Parties for ratification or acceptance in one of the languages identified in the above paragraph _ that is reasonably believed by the Depositary to be preferred by the Party. Instruments of ratification or acceptance in respect of an amendment shall be deposited with the Depositary. An amendment adopted in accordance with the above paragraph _ shall enter into force for those Parties having ratified or accepted it on the ninetieth day after the date of receipt by the Depositary of an instrument of ratification or acceptance by at least three fourths of the Parties.

205.4 An adopted amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits with the Depositary its instrument of ratification, acceptance or accession with respect to the amendment. **(Kuwait and Nigeria)**

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206. *The provisions of the Convention relating to amendments should apply mutatis mutandis to the Protocol.* **(Switzerland)**

C. Relationship with the Convention

207.1 Parties shall bear in mind that the Conference of the Parties, as the supreme body of the Convention, must also keep under regular review the implementation of any related legal instruments, such as this Protocol.

207.2 To avoid duplication, overlap and conflicts between the institutional structures and reporting requirements established by the Convention and those established by the Protocol,

the first Meeting of the Parties shall seek guidance on these matters from the Conference of the Parties.

207.3 Except as otherwise provided in this Protocol, the provisions of the Convention relating to its protocols shall apply to this Protocol. **(AOSIS)**

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208. New commitments of the Parties adopted under the instrument do not cancel, reconsider or prolong commitments adopted by Annex I Parties for the period before the year 2000 (subparagraphs 4.2(a) and (b) of the Convention). **(Russian Federation)**

D. Adoption and amendment of Annexes

209.1 The Meeting of the Parties may adopt annexes to this Protocol. Such annexes shall form an integral part thereof and, unless otherwise expressly provided, a reference to the Protocol shall constitute at the same time a reference to any annexes thereto.

209.2 Annexes to the Protocol shall be proposed and adopted in accordance with the procedure set out in Article 10, paragraphs 2 and 3 above.

209.3 An annex that has been adopted in accordance with paragraph 2 above shall enter into force for all Parties to the Protocol six months after the date of the communication by the Depositary to such Parties of the adoption of the annex, except for those Parties that have notified the Depositary, in writing, within that period of their non-acceptance of the annex. The annex shall enter into force for Parties which withdraw their notification of non-acceptance on the ninetieth day after the date on which withdrawal of such notification has been received by the Depositary.

209.4 The proposal, adoption and entry into force of amendments to annexes to the Protocol shall be subject to the same procedure as that for the proposal and adoption of annexes to the Protocol in accordance with paragraphs 2 and 3 above.

209.5 If the adoption of an annex or an amendment to an annex involves an amendment to the Protocol, that annex or amendment to an annex shall not enter into force until such time as the amendment to the Protocol enters into force. **(AOSIS)**

210.1 Annexes to the Protocol shall form an integral part thereof and, unless otherwise expressly provided, a reference to the Protocol constitutes at the same time a reference to any annexes thereto. Annexes other than those adopted together with the Protocol shall be restricted to lists, forms and any other material of a descriptive nature that is of a scientific, technical, procedural or administrative character.

210.2 Any Party may make proposals for an annex to the Protocol and may propose amendments to Annexes to the Protocol.

210.3 Proposals for an annex to the Protocol and for amendments to Annexes to the Protocol shall be adopted at a session of the Conference of the Parties. The text of any proposed annex to the Protocol shall be communicated to the Parties by the secretariat at least three months before the session at which it is proposed for adoption. The secretariat shall also communicate any proposed annex to the Protocol or any amendment to an annex to the Protocol to the signatories to the Protocol and, for information, to the Depositary.

210.4 The Parties shall make every effort to reach agreement on any proposed annex to the Protocol or amendment to an annex to the Protocol by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the annex or amendment shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the meeting. The adopted annex or amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance.

210.5 An annex that has been adopted or amended in accordance with paragraph 3 and 4 above shall enter into force for all Parties to the Protocol six months after the date of the communication by the Depositary to such Parties of the adoption or amendment of the annex, except for those Parties that have notified the Depositary, in writing, within that period of their non-acceptance of the annex or amendment. The annex or amendment shall enter into force for Parties which withdraw their notification of non-acceptance on the ninetieth day after the date on which withdrawal of such notification has been received by the Depositary.

210.6 If the adoption of an annex or an amendment to an annex involves an amendment to the Protocol, that annex or amendment to an annex shall not enter into force until time as the amendment to the Protocol enters into force.

210.7 For the purposes of this Article, "Parties present and voting" means Parties present and casting an affirmative or negative vote. **(EU)**

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211. Elaboration of any annexes dealing with lists in Annexes I and II to the Convention, and any other listing of Parties shall be in accordance with Article 4.2(f) and 4.2(g) of the Convention. **(G-77 and China)**

212.1 Any Party to the Convention may propose annexes to this Protocol, and amendments to annexes to this Protocol. For purposes of Article 17.5 of the Convention, the phrase "Decisions under any Protocol" shall not be interpreted or applied to include adoption of an annex to this Protocol nor amendment to any such annex. The authority to adopt any of the foregoing is vested in the Conference of the Parties.

212.2 Annexes to this Protocol shall form an integral part thereof and, unless otherwise expressly provided, a reference to this Protocol constitutes at the same time a reference to any annexes thereto. Such annexes shall be restricted to lists, forms and any other material of a descriptive nature that is of a scientific, technical, procedural, or administrative character.

212.3 Annexes to this Protocol and amendments to such annexes shall be adopted in accordance with the procedures set forth in paragraphs 1 and 2. Entry into force of annexes to this Protocol and of amendments to such annexes shall be subject to the same procedure and requirements for entry into force of amendments to this Protocol that are set forth in paragraphs 3 and 4, provided that if the adoption of an annex or an amendment to an annex involves an amendment to this Protocol, that annex or amendment to an annex shall not enter into force until such time as the amendment to this Protocol enters into force. **(Kuwait and Nigeria)**

213. *Depending upon what type of material is eventually included in annexes, it may not be appropriate to restrict the content of all annexes to "lists, forms and any other material of a descriptive nature that is of a scientific, technical, procedural or administrative character". For any substantive annex, it may not be appropriate to provide for tacit adoption amendment.* **(USA)**

E. Right to vote

214.1 Each Party to the Protocol shall have one vote, except as provided for in paragraph 2 below.

214.2 Regional economic integration organizations, in matters within their competence, shall exercise their right to vote with a number of votes equal to the number of their member States which are Parties to the Protocol. Such an organization shall not exercise its right to vote if any of its member States exercises its right, and vice versa. **(AOSIS and EU)**

215.1 Each Party to the instrument shall have one vote, except as provided for in the paragraphs below.

215.2 *Regional economic integration organizations and their members.*

215.3 *Consideration could be given to restricting voting entitlements in respect of certain issues, such as those relating to adjustment of commitments of Annex A Parties under Article 7.* **(Australia)**

216. *The provisions of the Convention relating to the right to vote should apply mutatis mutandis to the Protocol.* **(Switzerland)**

F. Relationship to other agreements

217. The instrument shall not derogate from the rights and obligations of Parties under existing international agreements and, in particular, shall not derogate from the provisions of

the Agreement Establishing the World Trade Organization (WTO) or affect the rights and obligations of Members of the WTO. **(Australia)**

G. Depositary

218. As provided under Article 19 of the Convention, the Secretary-General of the United Nations shall be the Depositary of the Protocol. **(AOSIS)**

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219. *Article 19 of the Convention should be made applicable mutatis mutandis.* **(EU)**

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220. *The provisions of the Convention relating to the Depositary should apply mutatis mutandis to the Protocol.* **(Switzerland)**

H. Signature

221. The Protocol shall be open for signature by States Members of the United Nations or any of its specialized agencies or that are Parties to the Statute of the International Court of Justice and by regional economic integration organizations at _, and thereafter at the United Nations Headquarters in New York from _ to _. **(AOSIS)**

222.1 Only Parties to the Convention may be Parties to this Protocol.

222.2 The Protocol shall be open for signature by Parties to the Convention at Kyoto during the Third Conference of the Parties to the Convention and thereafter at United Nations Headquarters from .... . **(EU)**

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223. *The provisions of the Convention relating to signature should apply mutatis mutandis to the Protocol.* **(Switzerland)**

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224. *This provision should state that only Parties to the Convention may be Parties to the Protocol.* **(USA)**

I. Provisional application

226.1 The Protocol shall be subject to ratification, acceptance, approval or accession by States and regional economic integration organizations (which are Parties to the Convention (EU)).[*] It shall be open for accession from the day after the date on which the Protocol is closed for signature.

226.2 Instruments of ratification, acceptance, approval or accession shall be deposited with the Depositary.

226.3 Any regional economic integration organization which becomes a Party to the Protocol without any of its member States being a Party shall be bound by all the obligations under the Protocol. In the case of such organizations, one or more of whose member States is a Party to the Protocol, the organization and its member States shall decide on their respective responsibilities for the performance of their obligations under the Protocol. In such cases, the organization and the member States shall not be entitled to exercise rights under the Protocol concurrently.

226.4 In their instruments of ratification, acceptance, approval or accession, regional economic integration organizations shall declare the extent of their competence with respect to the matters governed by the Protocol. These organizations shall also inform the Depositary, who shall in turn inform the Parties, of any substantial modification in the extent of their competence. **(AOSIS and EU)**

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227 *The provisions of the Convention relating to means to express consent to be bound should apply mutatis mutandis to the Protocol.* **(Switzerland)**

K. Entry into force

228.1 The Protocol shall enter into force on the ninetieth day after the date of deposit of the thirtieth instrument of ratification, acceptance, approval or accession.

228.2 For each State or regional economic integration organization which ratifies, accepts or approves the Protocol or accedes thereto after the deposit of the instrument of ratification, acceptance, approval or accession, the Protocol shall enter into force on the ninetieth day after the date of deposit by such State or regional economic integration organization of its instrument of ratification, acceptance, approval or accession.

228.3 For the purposes of paragraphs 1 and 2 above, any instrument deposited by a regional

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229.1 The Protocol shall enter into force on the ninetieth day after the date of deposit of (....) instruments of ratification (....).

229.2 For each State or regional economic integration organization that ratifies, accepts or approves the Protocol or accedes thereto after the fulfilment of the requirements of paragraph 1, the Protocol shall enter into force on the ninetieth day after the date of deposit by such State or regional economic integration organization of its instrument of ratification, acceptance, approval or accession.

229.3 For the purposes of paragraphs 1 and 2 above, any instrument deposited by a regional economic integration organization shall not be counted as additional to those deposited by States members of the organization. **(EU)**

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230. *The Protocol shall come into force when the last Annex I Party has deposited its instrument of ratification and after the ninetieth day from the date when all Annex I Parties implement their existing commitments under the Convention.* **(Iran)**

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231. *The conclusion of this Protocol by a certain number of Parties included in Annex I to the Convention should be required in order to ensure the effectiveness of this Protocol.* **(Japan)**

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232. *The instrument shall enter into force in accordance with rules for the Convention under its Article 23.* **(Russian Federation)**

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233. *The Protocol should enter into force on the ninetieth day after the date of deposit of the twentieth instrument of ratification, acceptance, approval or accession. The other provisions of Article 23 of the Convention should apply mutatis mutandis to the Protocol.* **(Switzerland)**

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236. *The provisions of the Convention relating to reservations should apply mutatis mutandis to the Protocol.* **(Switzerland)**

M. Withdrawal

237.1 At any time after three years from the date on which the Protocol has entered into force for a Party, that Party may withdraw from the Protocol by giving written notification to the Depositary.

237.2 Any such withdrawal shall take effect upon expiry of one year from the date of receipt by the Depositary of the notification of withdrawal or on such later date as may be specified in the notification of withdrawal.

237.3 Any Party which withdraws from the Convention shall, (pursuant to Article 25 of the Convention (AOSIS)[37]), be considered as also having withdrawn from this Protocol. **(AOSIS and EU)**

238.1 At any time after this Protocol has entered into force with respect to a Party, that Party may withdraw from this Protocol by giving written notification to the Depositary. Any such withdrawal shall take effect on the ninetieth day after the date of its receipt by the Depositary. The Depositary shall communicate to all Parties to the Convention a copy of each such notification of withdrawal.

238.2 Notwithstanding the above paragraph _, the withdrawal by an Annex _ Party from this Protocol shall not operate to limit its liability for any claim that may have accrued against it pursuant to Article _ [*on economic injuries sustained by developing countries*] prior to the effective date of such withdrawal. **(Kuwait and Nigeria)**

239. *The provisions of the Convention relating to withdrawal should apply mutatis mutandis to the Protocol.* **(Switzerland)**

N. Authentic texts

240. The original of this Protocol, of which the Arabic, Chinese, English, French, Russian

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241. *The provisions of the Convention relating to authentic texts should apply mutatis mutandis to the Protocol.* **(Switzerland)**

VIII. ANNEXES

A. Listing of Parties

242. **Annex A** *shall list only those Parties to the instrument currently listed in Annex I of the Convention. It should, however, be regarded as open for other Parties, such as those joining the OECD, entirely at their own discretion, to seek to negotiate their entry to Annex A in accordance with the equity principles set out in Article 3.* **(Australia)**

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243. **Annex X** *would list countries to be bound by Article 2(a) - (e). The list of Parties contained in Annex X shall consist of countries which are members of the OECD and countries with economies in transition.* **(EU)**

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244. *A separate annex would list provisions for the group of countries with economies in transition.* **(Russian Federation)**

245.1 **Annex A** *would include the same States as those listed in Annex I of the Convention, plus those that join subsequently pursuant to Article 2.*

245.2 **Annex B** *would include those States not listed in Annex A that indicate before adoption of the Protocol that they want to be included in this Annex, plus those that join subsequently pursuant to Article 2.* **(USA)**

B. Policies and measures

246.1 **Annex A** *would list policies and measures to be common to national programmes of all Parties listed in Annex X .*

246.2 **Annex B** *would list policies and measures to be given high priority for inclusion in national programmes of Parties listed in Annex X and for coordination with other Parties.*

246.3 **Annex C** *would list national policies and measures to be given priority for inclusion in national programmes of Parties listed in Annex X, as appropriate to national circumstances.*

248. *An annex should list a set of common and or coordinated policies and measures mandatory for all Annex I Parties.* **(France)**

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249. *An annex would provide for the policies and measures in each field referred to in Article 4, paragraph 1.* **(Japan)**

250.1 *The Chairman suggests the following options:*

250.2 **Annex A** *would list policy objectives mandatory for all Parties listed in Annex I.*

250.3 **Annex B** *would list possible mechanisms for the implementation of policies and measures.*

250.4 **Annex C** *would include a menu of policies and measures from which Parties could choose according to their national circumstances.*

C. QELROs

251. **Annex A** *would also list the QELROs applicable to individual Parties or groups of Parties.* **(Australia)**

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252. **Annex Y** *would list quantified limitation and reduction objectives for Parties in Annex X .* **(EU)**

D. Methodological issues

253. **Annex D** would contain the most recent global warming potentials (GWPs), as agreed by IPCC for greenhouse gases not covered by the Montreal Protocol. **(EU)**

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254. **Annex C** *would list greenhouse gases not covered by the Montreal Protocol, with the exception of gases, or particular sources and sinks, for which there is insufficient knowledge of the GWP or inability to accurately measure emissions or removals. GWPs would be those developed by the IPCC.* **(USA)**

E. Other annexes

255. *An annex to the instrument should include measures to support non-Annex I Parties in the fulfilment of their commitments and detail ways to encourage the submission of proposals from non-Annex I Parties on how best to promote the implementation of their obligations.* **(Uzbekistan)**

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256. *Annexes would provide detailed information desegregated by country and sector on major sources of greenhouse gas emissions, their nature and volume, the characteristics of old technologies in use, as well as their age, and a timetable for the replacement of these old technologies. Information on such sources should include details of measures being implemented to tackle greenhouse gas emissions, the expected reductions in emissions and the costs for the different sectors.* **(Zaire)**

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